

BINGHAM DANA

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September 10, 1999

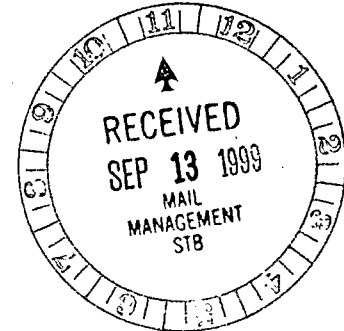
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BOSTON, NEW YORK, WASHINGTON,  
LOS ANGELES, HARTFORD AND LONDON

**BY FEDERAL EXPRESS**

Vernon A. Williams, Secretary  
Surface Transportation Board  
195 K Street, N.W., Suite 704  
Washington, D.C. 20423

Dear Sir:



Enclosed for recording with the Surface Transportation Board pursuant to Section 11301 of Title 49 of the U.S. Code are one original and one copy of the fully executed, notarized document described below.

This document is a Security Agreement dated as of August 17, 1999, by and among **GENESEE & WYOMING INC.**, a Delaware corporation, **ALLEGHENY & EASTERN RAILROAD, INC.**, a Delaware corporation, **BRADFORD INDUSTRIAL RAIL, INC.**, a Delaware corporation, **BUFFALO & PITTSBURGH RAILROAD, INC.**, a Delaware corporation, **CAROLINA COASTAL RAILWAY, INC.**, a Virginia corporation, **COMMONWEALTH RAILWAY, INC.**, a Virginia corporation, **CORPUS CHRISTI TERMINAL RAILROAD, INC.**, a Delaware corporation, **DANSVILLE AND MOUNT MORRIS RAILROAD COMPANY**, a New York corporation, **GENESEE AND WYOMING RAILROAD COMPANY**, a New York corporation, **GENESEE & WYOMING RAILROAD SERVICES, INC.**, a Delaware corporation, **GOLDEN ISLES TERMINAL RAILROAD, INC.**, a Delaware corporation, **GWI CANADA, INC.**, a Delaware corporation, **GWI LEASING CORPORATION**, a Delaware corporation, **GWI RAIL MANAGEMENT CORPORATION**, a Delaware corporation, **ILLINOIS & MIDLAND RAILROAD, INC.**, a Delaware corporation, **LOUISIANA & DELTA RAILROAD, INC.**, a Delaware corporation, **PITTSBURG & SHAWMUT RAILROAD, INC.**, a Delaware corporation, **PORTLAND & WESTERN RAILROAD, INC.**, a New York corporation, **RAIL LINK, INC.**, a Virginia corporation, **ROCHESTER & SOUTHERN RAILROAD, INC.**, a New York corporation, **SAVANNAH PORT TERMINAL RAILROAD, INC.**, a Delaware corporation, **TALLEYRAND TERMINAL RAILROAD COMPANY, INC.**, a Virginia corporation, and **WILLAMETTE & PACIFIC RAILROAD, INC.**, a New York corporation, (each individually a "Debtor" and collectively the "Debtors"), certain other borrowers referred to therein, and BankBoston, N.A., as Administrative Agent for the Banks referred to therein (in such capacity, the "Secured Party"), covering the Debtors' rolling stock now owned or hereafter acquired and certain other properties and rights of the Debtors. A description of the rolling stock is attached to the Security Agreement as Schedule 2, as the same may be revised from time to time, but the property covered by the Security Agreement is not limited to that listed on Schedule 2.

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The name and addresses of the parties to the Security Agreement are listed on Appendix A attached hereto. Please cross index the Security Agreement against each Debtor listed on Appendix A.

Included in the property covered by the aforesaid Security Agreement are railroad cars, locomotives and other rolling stock intended for use related to interstate commerce, or interests therein, owned and leased by the Debtor at the date of said Security Agreement or thereafter acquired by the Debtor or its successors.

A short summary of the document to appear in the index is as follows:

"A Security Agreement dated as of August 17, 1999, by and among **GENESEE & WYOMING INC.**, a Delaware corporation, **ALLEGHENY & EASTERN RAILROAD, INC.**, a Delaware corporation, **BRADFORD INDUSTRIAL RAIL, INC.**, a Delaware corporation, **BUFFALO & PITTSBURGH RAILROAD, INC.**, a Delaware corporation, **CAROLINA COASTAL RAILWAY, INC.**, a Virginia corporation, **COMMONWEALTH RAILWAY, INC.**, a Virginia corporation, **CORPUS CHRISTI TERMINAL RAILROAD, INC.**, a Delaware corporation, **DANVILLE AND MOUNT MORRIS RAILROAD COMPANY**, a New York corporation, **GENESEE AND WYOMING RAILROAD COMPANY**, a New York corporation, **GENESEE & WYOMING RAILROAD SERVICES, INC.**, a Delaware corporation, **GOLDEN ISLES TERMINAL RAILROAD, INC.**, a Delaware corporation, **GWI CANADA, INC.**, a Delaware corporation, **GWI LEASING CORPORATION**, a Delaware corporation, **GWI RAIL MANAGEMENT CORPORATION**, a Delaware corporation, **ILLINOIS & MIDLAND RAILROAD, INC.**, a Delaware corporation, **LOUISIANA & DELTA RAILROAD, INC.**, a Delaware corporation, **PITTSBURG & SHAWMUT RAILROAD, INC.**, a Delaware corporation, **PORTLAND & WESTERN RAILROAD, INC.**, a New York corporation, **RAIL LINK, INC.**, a Virginia corporation, **ROCHESTER & SOUTHERN RAILROAD, INC.**, a New York corporation, **SAVANNAH PORT TERMINAL RAILROAD, INC.**, a Delaware corporation, **TALLEYRAND TERMINAL RAILROAD COMPANY, INC.**, a Virginia corporation, and **WILLAMETTE & PACIFIC RAILROAD, INC.**, a New York corporation, and certain other borrowers as the Debtors, and BankBoston, N.A., as Administrative Agent, as the secured party, covering the Debtors' rolling stock and all other properties and rights of the

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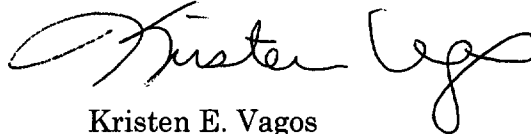
Debtors. A description of the rolling stock is attached to the Security Agreement as Schedule 2."

Also enclosed is a check in the amount of \$26.00, payable to the Surface Transportation Board, to cover the recording fee prescribed by the Board in its rules and regulations.

Please acknowledge receipt of the enclosed documents by stamping and returning in the enclosed self-addressed prepaid federal express package, the enclosed copy of this letter together with the Security Agreement as filed.

If you have any questions with respect to the enclosed documents, please call me collect at (617) 951-8129 or Ian Wenniger at (617) 951-8773.

Sincerely,

A handwritten signature in black ink, appearing to read "Kristen E. Vagos". The signature is fluid and cursive, with the first name "Kristen" being more prominent and the last name "Vagos" following in a similar style. The signature is positioned above the printed name "Kristen E. Vagos".

Kristen E. Vagos

KEV/cas  
Enclosures

cc: Cynthia F. Barnett, Esq.  
Ian Wenniger, Esq.

## APPENDIX A

### Debtors:

✓ Allegheny & Eastern Railroad, Inc.  
210 No. Penn Street  
Punxsutawney, PA 15767

✓ Bradford Industrial Rail, Inc.  
210 No. Penn Street  
Punxsutawney, PA 15767

✓ Buffalo & Pittsburgh Railroad, Inc.  
210 No. Penn Street  
Punxsutawney, PA 15767

✓ Carolina Coastal Railway, Inc.  
8711 Perimeter Park Blvd., Suite 1  
Jacksonville, FL 32216

✓ Commonwealth Railway, Inc.  
8711 Perimeter Park Blvd., Suite 1  
Jacksonville, FL 32216

✓ Corpus Christi Terminal Railroad, Inc.  
8711 Perimeter Park Blvd., Suite 1  
Jacksonville, FL 32216

✓ The Dansville & Mount Morris Railroad Company  
1200-C Scottsville Road, Suite 200  
Rochester, NY 14624

✓ Genesee & Wyoming Inc.  
71 Lewis Street  
Greenwich, CT 06803

✓ Genesee & Wyoming Railroad Company  
1200-C Scottsville Road, Suite 200  
Rochester, NY 14624

✓ Genesee & Wyoming Railroad Services, Inc.  
1200-C Scottsville Road, Suite 200  
Rochester, NY 14624

✓ Golden Isles Terminal Railroad, Inc.  
8711 Perimeter Park Blvd., Suite 1  
Jacksonville, FL 32216

GWI Canada, Inc.  
71 Lewis Street  
Greenwich, CT 06803

GWI Leasing Corporation  
71 Lewis Street  
Greenwich, CT 06803

GWI Rail Management Corporation  
1200-C Scottsville Road, Suite 200  
Rochester, NY 14624

Illinois & Midland Railroad, Inc.  
1500 North Grand Avenue East  
Springfield, IL 62705

Louisiana & Delta Railroad, Inc.  
402 W. Washington Street  
New Iberia, LA 70560

Pittsburg & Shawmut Railroad, Inc.  
210 No. Penn Street  
Punxsutawney, PA 15767

Portland & Western Railroad, Inc.  
110 W. Tenth Avenue  
Albany, OR 97321

Rail Link, Inc.  
8711 Perimeter Park Blvd., Suite 1  
Jacksonville, FL 32216

Rochester & Southern Railroad, Inc.  
1200-C Scottsville Road, Suite 200  
Rochester, NY 14624

Savannah Port Terminal Railroad, Inc.  
8711 Perimeter Park Blvd., Suite 1  
Jacksonville, FL 32216

Talleyrand Terminal Railroad Company, Inc.  
8711 Perimeter Park Blvd., Suite 1  
Jacksonville, FL 32216

Willamette & Pacific Railroad, Inc.  
110 W. Tenth Avenue  
Albany, OR 97321

### Secured Party:

BankBoston, N.A., as Administrative Agent  
100 Federal Street  
Boston, MA 02110

RECORDATION NO. 22455 FILED  
OCT - 6 '99 11-00AM

**US SECURITY AGREEMENT**

This **US SECURITY AGREEMENT**, dated as of August 17, 1999 (this "Agreement"), is by and among **GENESEE & WYOMING INC.**, a Delaware corporation (the "US Borrower"), **ALLEGHENY & EASTERN RAILROAD, INC.**, a Delaware corporation, **BRADFORD INDUSTRIAL RAIL, INC.**, a Delaware corporation, **BUFFALO & PITTSBURGH RAILROAD, INC.**, a Delaware corporation, **CAROLINA COASTAL RAILWAY, INC.**, a Virginia corporation, **COMMONWEALTH RAILWAY, INC.**, a Virginia corporation, **CORPUS CHRISTI TERMINAL RAILROAD, INC.**, a Delaware corporation, **DANVILLE AND MOUNT MORRIS RAILROAD COMPANY**, a New York corporation, **GENESEE AND WYOMING RAILROAD COMPANY**, a New York corporation, **GENESEE & WYOMING RAILROAD SERVICES, INC.**, a Delaware corporation, **GOLDEN ISLES TERMINAL RAILROAD, INC.**, a Delaware corporation, **GWI CANADA, INC.**, a Delaware corporation, **GWI LEASING CORPORATION**, a Delaware corporation, **GWI RAIL MANAGEMENT CORPORATION**, a Delaware corporation, **ILLINOIS & MIDLAND RAILROAD, INC.**, a Delaware corporation, **LOUISIANA & DELTA RAILROAD, INC.**, a Delaware corporation, **PITTSBURG & SHAWMUT RAILROAD, INC.**, a Delaware corporation, **PORTLAND & WESTERN RAILROAD, INC.**, a New York corporation, **RAIL LINK, INC.**, a Virginia corporation, **ROCHESTER & SOUTHERN RAILROAD, INC.**, a New York corporation, **SAVANNAH PORT TERMINAL RAILROAD, INC.**, a Delaware corporation, **TALLEYRAND TERMINAL RAILROAD COMPANY, INC.**, a Virginia corporation, and **WILLAMETTE & PACIFIC RAILROAD, INC.**, a New York corporation, (each, a "US Restricted Subsidiary" and collectively, the "US Restricted Subsidiaries") and such other **US RESTRICTED SUBSIDIARIES** which may become a party hereunder pursuant to a duly executed Instrument of Adherence in the form attached as Exhibit A hereto (each of the US Borrower and the US Restricted Subsidiaries hereinafter referred to individually as a "US Company" and collectively as the "US Companies") and **BANKBOSTON, N.A.**, as Administrative Agent for itself and such other lending institutions (hereinafter, collectively, the "Banks") which are or may become parties to that certain Third Amended and Restated Revolving Credit and Term Loan Agreement dated as of the date hereof (as amended or in effect from time to time, the "Credit Agreement"), by and among the US Borrower, Quebec Gatineau Railway Inc., Australia Southern Railroad Pty. Limited, ACN 079 444 296, Compania de Ferrocarriles Chiapas-Mayab, S.A. de C.V., the Guarantors named therein, the Banks, The First National Bank of Chicago, as documentation agent for the Banks (acting in such capacity, the "Documentation Agent") and as Australian agent for the Australian Banks (acting in such capacity, the "Australian Agent"), BankBoston, N.A., as administrative agent and syndication agent for itself and the Banks (the "Administrative Agent" and collectively, with the Documentation Agent and the Australian Agent, the "Agents") and BancBoston Robertson Stephens Inc., as arranger (the "Arranger"). Capitalized terms used herein without definition that are defined in the Credit Agreement shall have the same meanings herein as in the Credit Agreement.

**WHEREAS**, pursuant to the Credit Agreement, certain Banks which are party to the Credit Agreement have agreed to make loans to the Borrowers for the purposes described therein; and

**WHEREAS**, it is a condition precedent to the Banks making any loans or otherwise extending credit under the Credit Agreement that the US Companies execute and deliver to the Administrative Agent, for the benefit of the Banks and the Agents, a security agreement in substantially the form hereof; and

**WHEREAS**, the US Companies wish to secure the payment and performance of all of the Obligations of the Borrowers and to grant security interests in favor of the Administrative Agent, for the benefit of the Banks and the Agents as herein provided;

**NOW THEREFORE**, in consideration of the promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each of the parties agrees as follows:

**§1. GRANT OF SECURITY INTEREST.**

**§1.1. Collateral Granted.** To secure the due and prompt payment and performance by each of the Borrowers of the Obligations (including the Australian Obligations, Canadian Obligations and Mexican Obligations), the US Companies hereby jointly and severally pledge, assign and grant to the Administrative Agent, for the benefit of the Banks and the Agents, a continuing security interest in and lien on the following properties, assets and rights of each of the US Companies, wherever located, whether now owned or hereafter acquired or arising, and all proceeds and products thereof (all of the same being hereinafter called the "Collateral"):

All personal and fixture property of every kind and nature including, without limitation, all goods, accounts, including all accounts receivable, deposit accounts, contract rights, all rights of each US Company under any agreements with operating railroads pursuant to which rights of passage over tracks are granted during periods of emergency and disasters, all rights of each US Company under any leases pursuant to which such US Company leases any rolling stock, locomotives or other rail cars, of every kind and description, to any other person, all licenses, permits, agreements of any kind or nature pursuant to which such US Company possesses, uses or has authority to possess or use property (whether tangible or intangible) of others or others possess, use or have authority to possess or use property (whether tangible or intangible) of such US Company, all recorded data of any kind or nature, regardless of the medium of recording including, without limitation, all software, writings, plans, specifications and schematics, all rights to the payment of money including without limitation tax refund claims, insurance refund claims and all other insurance claims and proceeds, tort claims, chattel paper, documents, instruments, general intangibles, all certificated and uncertificated securities and other investment property (other than the stock of the Unrestricted Subsidiaries), together with all income therefrom, increases thereunder and proceeds

thereof, patents, patent applications, trademarks, trademark applications, tradenames, copyrights, copyright applications, rights to sue and recover for past infringement of patents, trademarks and copyrights, computer programs, computer software, engineering drawings, service marks, customer lists, goodwill, books and records, furniture, fixtures, motor vehicles of every kind and description including, without limitation, the motor vehicles described on Schedule 1 attached hereto, and all related equipment, parts and accessories with respect thereto (including, without limitation, tires and parts, whether now owned or hereafter acquired), and all substitutions and replacements therefor, rolling stock, locomotives and all other rail cars of every kind and description, including, without limitation, the rolling stock, locomotives and rail cars described on Schedule 2 attached hereto, rail, ties and capital improvements thereon, equipment, all maintenance of way equipment, including, without limitation, the maintenance of way equipment having an original value of greater than \$50,000 which is described on Schedule 3 attached hereto, inventory and all other capital assets and raw materials.

**§1.2. Delivery of Instruments, Etc.** Pursuant to the terms hereof, each of the US Companies has endorsed, assigned and delivered to the Administrative Agent all negotiable or non-negotiable instruments (including certificated securities) and chattel paper pledged by it hereunder in the aggregate amount of \$50,000 or greater (including such instruments or chattel paper pledged by any of the other US Companies hereunder), together with instruments of transfer or assignment duly executed in blank as the Administrative Agent may have specified. In the event that any of the US Companies shall, after the date of this Agreement, acquire any other negotiable or non-negotiable instruments (including certificated securities) or chattel paper to be pledged by it hereunder and the aggregate amount of all such instruments or chattel paper pledged by any of the US Companies is \$50,000 or greater, such US Company shall forthwith endorse, assign and deliver the same to the Administrative Agent, accompanied by instruments of transfer or assignment duly executed in blank as the Administrative Agent may from time to time specify. To the extent that any securities are uncertificated, appropriate book-entry transfers reflecting the pledge of such securities created hereby have been or, in the case of uncertificated securities hereafter acquired by any of the US Companies, will at the time of such acquisition be, duly made for the account of the Administrative Agent or one or more nominees of the Administrative Agent with the issuer of such securities or other appropriate book-entry facility or financial intermediary, with the Administrative Agent having at all times the right to obtain definitive certificates (in the Administrative Agent's name or in the name of one or more nominees of the Administrative Agent) where the issuer customarily or otherwise issues certificates, all to be held as Collateral hereunder. Each of the US Companies hereby acknowledges that the Administrative Agent may, in its discretion, appoint one or more financial institutions to act as the Administrative Agent's agent in holding in custodial account instruments or other financial assets in which the Administrative Agent is granted a security interest hereunder, including, without limitation, certificates of deposit and other instruments evidencing short term obligations.

**1.3. Excluded Collateral.** Notwithstanding the foregoing provisions of this §1, such grant of security interest shall not extend to, and the term "Collateral" shall not include, any Rolling Stock (as defined below), chattel paper, or general intangibles which are now or hereafter owned or held by any of the US Companies as licensee, lessee or otherwise, to the extent that (a) such Rolling Stock, chattel paper or general intangibles are not assignable or capable of being encumbered as a matter of law or under the terms of the license, lease, contract or other agreement applicable thereto (but solely to the extent that any such restriction shall be enforceable under applicable law), without the consent of the licensor or lessor thereof or other contracting party or other applicable party thereto and (b) such consent has not been obtained; provided, however, that the foregoing grant of security interest shall extend to, and the term "Collateral" shall include (i) any and all proceeds of such Rolling Stock, chattel paper and general intangibles to the extent that the assignment or encumbering of such proceeds is not so restricted and (ii) following the obtaining of the consent of any such licensor, lessor or other contracting party or other applicable party with respect to any such otherwise excluded Rolling Stock, chattel paper or general intangibles, such Rolling Stock, chattel paper or general intangibles as well as any and all proceeds thereof that might have theretofore have been excluded from such grant of a security interest and the term "Collateral".

**§2. STOCK PLEDGE AGREEMENT.** Concurrently herewith certain of the US Companies are executing and delivering to the Administrative Agent, for the benefit of the Banks and the Agents, a stock pledge agreement with respect of each such US Company pursuant to which such US Company is pledging to the Administrative Agent, for the benefit of the Banks and the Agents, all of the shares of the capital stock of such US Company's subsidiary or subsidiaries. Such pledge(s) shall be governed by the terms of such stock pledge agreement(s) and not by the terms of this Agreement.

**§3. CERTAIN REPRESENTATIONS AND COVENANTS OF THE US COMPANIES.**

**§3.1. Real Property.** Each US Company represents to the Administrative Agent and the Banks that the real property listed underneath such US Company's name on Schedule 4 hereto constitutes all of the real property which such US Company owns or leases. Each US Company agrees to notify the Administrative Agent of any other real property which such US Company may hereafter acquire or lease.

**§3.2. Rolling Stock.** Each US Company represents to the Administrative Agent and the Banks that the Rolling Stock (as defined in this §3.2) listed underneath such US Company's name on Schedule 2 hereto constitutes all of the Rolling Stock which such US Company owns or leases. Each US Company agrees not to change any markings or serial numbers on any of the Rolling Stock listed on Schedule 2 until after such US Company has given notice in writing to the Administrative Agent of its intention to make such change, which such notice need not be given more frequently than once a month. Each US Company agrees to notify the Administrative Agent of any other Rolling Stock which such US Company may hereafter acquire or lease. Each US Company agrees that it will execute and deliver to the Administrative Agent supplemental



security agreements and other instruments, as referred to in §3.5 hereof (which, in the case of any additions to Schedule 2 hereto, shall be substantially in the form of the Amendment to the US Security Agreement attached hereto as Exhibit B) and file the same in the appropriate recording offices (a) with respect to the Rolling Stock listed underneath such US Company's name on Schedule 2 hereto, (b) at such times as any assignable right, title or interest is acquired in the future by such US Company in any other Rolling Stock and (c) at such times as any change is made in one or more of the markings or serial numbers on any of the Rolling Stock listed underneath such US Company's name on Schedule 2 hereto or on any other Rolling Stock owned or leased by such US Company. All such supplemental security agreements and other instruments shall secure all of the Obligations pro rata and shall be on terms and conditions satisfactory to the Administrative Agent as evidenced by its written consent thereto. The term "Rolling Stock" as used herein means all rolling stock of every kind and description, locomotives and all other rail cars.

**§3.3. Motor Vehicles.** Each US Company represents and warrants to the Administrative Agent and covenants with the Administrative Agent that all Collateral consisting of motor vehicles of such US Company are listed underneath such US Company's name on Schedule 1 attached hereto, and that such Collateral is titled or registered in the jurisdictions located in the United States of America listed underneath such US Company's name on Schedule 1 and will remain titled or registered in such jurisdictions. The Administrative Agent acknowledges that delivery of certificates of title to the Administrative Agent with respect to such motor vehicles has not been required as of the Closing Date. However, the Administrative Agent reserves its rights, upon notice to the US Companies, to require such delivery at a later date.

**§3.4. Patents, Trademarks, Copyrights.** Each US Company represents to the Administrative Agent that as of the date hereof, except as set forth underneath such US Company's name on Schedule 5 hereto, it has no right, title or interest in any patent, trademark registrations, copyright registrations or service mark registrations, or in any pending applications for the same, and agrees promptly to furnish to the Administrative Agent written notice of each such patent, trademark, copyright or service mark registrations, or any applications for same, in which it may hereafter acquire any right, title or interest. Each US Company shall, on request by the Administrative Agent, execute, acknowledge and deliver all such documents and instruments as the Administrative Agent may reasonably require to confirm the Administrative Agent's security interest in and to any such patent, trademark or service mark registrations, or application for the same as part of such Collateral hereunder and appoints the Administrative Agent as such US Company's attorney-in-fact to execute and file the same.

**§3.5. Creation and Perfection of Lien.** Each US Company represents and warrants to the Administrative Agent and covenants with the Administrative Agent that this Agreement creates a valid security interest in the Collateral as security for the payment and performance of the Obligations. Upon (i) the filing and recording of this Agreement with the Surface Transportation Board (the "Board") in accordance with §11303 of Title 49 of the United States Code and the rules and regulations thereunder, and (ii) the filing under the Uniform Commercial

Code as in effect in the states in which such US Company or any Collateral is located (the "UCC") of UCC financing statements describing the Collateral naming the appropriate US Company as debtor and the Administrative Agent as secured party, all filings, assignments, pledges and deposits of documents or instruments will have been made and all other actions will have been taken that are necessary or advisable, under applicable law, to establish and perfect or to continue the perfection of, as the case may be, the security interest of the Administrative Agent for the benefit of the Banks and the Agents in such of the Collateral as to which a security interest may be perfected by filing under the UCC or the ICC Termination Act of 1995, as amended (the "ITA"), and such security interest shall remain prior to all other liens, except as contemplated by the Credit Agreement. No further filings, recordings or other actions are or will be necessary to maintain the priority of such security interest other than the filing of UCC continuation statements within six months prior to the expiration of a period of five years after the original filing thereof. The Collateral and the Administrative Agent's rights with respect to the Collateral are not subject to any setoff, claims, withholdings or other defenses, except as otherwise contemplated by the Credit Agreement.

**§3.6. No Further Actions.** Except for the filings referred to in §3.5 hereof, no authorization, approval or other action by, and no notice of filing with, any governmental authority or regulatory body or other Person that has not been received, taken or made is required (i) for the grant by the US Companies of the security interest granted hereby or for the execution, delivery or performance of this Agreement by any US Company, (ii) for the perfection and maintenance of the security interest hereunder (including the first priority nature of such security interest with respect to Collateral of the US Companies), or (iii) for the exercise by the Administrative Agent of the rights or the remedies in respect of the Collateral pursuant to this Agreement.

**§3.7. Government Contracts.** Each US Company agrees that it shall execute all such documents, and take all such actions, as the Administrative Agent shall determine to be necessary or appropriate from time to time under the federal Assignment of Claims Act of 1940, as amended, or the laws of appropriate states relating to the assignment of state government receivables, as the case may be, in order to confirm and assure to the Administrative Agent, for the benefit of the Banks and the Agents, its rights under this Agreement with respect to any and all Collateral consisting of such US Company's rights to monies due or to become due under any contracts or agreements with or orders from the United States government or any agency or department thereof, or any state government or any agency or department thereof, as the case may be, the assignment of which is not prohibited by such contract or agreement (collectively, "Government Receivables"). Without limiting the generality of the foregoing, each US Company agrees that simultaneously with the execution and delivery of this Agreement it shall execute and deliver to the Administrative Agent a confirmatory assignment substantially in the form of Exhibit C attached hereto (a "Confirmatory Assignment") with respect to each Government Receivable existing on the date hereof where the aggregate proceeds payable to such US Company thereunder exceed \$100,000, and within ten Business Days after the creation of any such new Government Receivable, such US Company shall execute and deliver to the Administrative Agent a Confirmatory Assignment with respect thereto. Each US Company

hereby irrevocably authorizes the Administrative Agent, or its designee, at such US Company's expense, to file with the United States government or the appropriate state government, as the case may be, (or the appropriate agency or instrumentality thereof) a notice of each assignment of a Government Receivable substantially in the form of Exhibit D attached hereto (a "Notice of Assignment"), to which a copy of the relevant Confirmatory Assignment may be attached, and appoints the Administrative Agent as such US Company's attorney-in-fact to execute and file any such Confirmatory Assignments, Notices of Assignment and any ancillary documents relating thereto.

**§4. CONTINUOUS PERFECTION.** Each US Company's place of business or, if more than one, chief executive office is indicated on the Perfection Certificate with respect to such US Company delivered to the Administrative Agent herewith (collectively, the "Perfection Certificates" and each, individually, a "Perfection Certificate"). None of the US Companies will change the same, or the name, identity, corporate structure or federal tax identification number of such US Company in any manner, without providing at least 30 days prior written notice to the Administrative Agent. The Collateral, to the extent not delivered to the Administrative Agent pursuant to §1.2, will be kept at those locations listed on the Perfection Certificates and the US Companies will not remove the Collateral from such locations, without providing at least 30 days prior written notice to the Administrative Agent.

**§5. NO LIENS.** Except for the security interest herein granted and liens permitted by the Credit Agreement, each of the US Companies is and shall be the owner of the Collateral free from any lien, security interest or other encumbrance, and the US Companies shall defend the same against all claims and demands of all persons at any time claiming the same or any interests therein adverse to the Administrative Agent or any of the Banks. The US Companies shall not pledge, mortgage or create, or suffer to exist a security interest in the Collateral in favor of any person other than the Administrative Agent, for the benefit of the Banks and the Agents, except for liens permitted by the Credit Agreement.

**§6. NO TRANSFERS.** The US Companies will not sell or offer to sell or otherwise transfer the Collateral or any interest therein except as permitted by the Credit Agreement.

**§7. INSURANCE.**

**§7.1. Maintenance of Insurance.** Each of the US Companies will maintain with financially sound and reputable insurers insurance with respect to its properties and business against such casualties and contingencies as shall be in accordance with general practices of businesses engaged in similar activities in similar geographic areas. Such insurance shall be in such minimum amounts that such US Company will not be deemed a co-insurer under applicable insurance laws, regulations and policies and otherwise shall be in such amounts, contain such terms, be in such forms and be for such periods as may be reasonably satisfactory to the Administrative Agent. In addition, all such insurance shall be payable to the Administrative Agent as loss payee under a "standard" or "New York" loss payee clause for the benefit of the Banks and the Agents. Without limiting the foregoing, each of the US Companies will (i) keep all of its physical property insured with casualty or physical hazard insurance on an "all risks"

basis with a full replacement cost endorsement and an "agreed amount" clause in an amount equal to 100% of the full replacement cost of such property, (ii) maintain all such workers' compensation or similar insurance as may be required by law and (iii) maintain, in amounts equal to those generally maintained by businesses engaged in similar activities in similar geographic areas, general public liability insurance against claims of bodily injury, death or property damage occurring, on, in or about the properties of the US Companies; and product liability insurance.

**§7.2. Insurance Proceeds.** The proceeds of any property casualty insurance in respect of any casualty loss of any of the Collateral shall, subject to the rights, if any, of other parties with a prior interest in the property covered thereby, (i) so long as no Default or Event of Default has occurred and is continuing and to the extent that the amount of such proceeds is less than \$1,000,000, be disbursed to the appropriate US Company for direct application by such US Company solely to the repair or replacement of such US Company's property so damaged or destroyed and (ii) in all other circumstances, be held by the Administrative Agent as cash collateral for the Obligations. The Administrative Agent may, at its sole option, disburse from time to time all or any part of such proceeds so held as cash collateral, upon such terms and conditions as the Administrative Agent may reasonably prescribe, for direct application by the appropriate US Company solely to the repair or replacement of such US Company's property so damaged or destroyed, or the Administrative Agent may apply all or any part of such proceeds to the Obligations with the Total Commitment (if not then terminated) being reduced by the amount so applied to the Obligations.

**§7.3. Notice of Cancellation, etc.** All policies of insurance shall provide for at least 30 days prior written cancellation notice to the Administrative Agent. In the event of failure by any of the US Companies to provide and maintain insurance as herein provided, the Administrative Agent may, at its option, provide such insurance and charge the amount thereof to the US Companies. Each of the US Companies shall furnish the Administrative Agent with certificates of insurance and policies evidencing compliance with the foregoing insurance provision.

**§8. MAINTENANCE OF COLLATERAL; COMPLIANCE WITH LAW.** The US Companies will maintain the Collateral in such condition, repair and working order as is reasonable and prudent in light of all the relevant facts and circumstances and is consistent with the standards maintained by businesses engaged in similar activities in similar geographic areas, and will not use the same in violation of law or any policy of insurance thereon. The Administrative Agent, or its designee, may inspect the Collateral at any reasonable time, wherever located. The US Companies will pay promptly when due all taxes, assessments, governmental charges and levies upon the Collateral or incurred in connection with the use or operation of such Collateral or incurred in connection with this Agreement. Each of the US Companies has at all times operated, and each of the US Companies will continue to operate, its business in compliance with all applicable provisions of the federal Fair Labor Standards Act, as amended, and with all applicable provisions of federal, state and local statutes and ordinances dealing with the control, shipment, storage or disposal of hazardous materials or substances.

**§9. COLLATERAL PROTECTION EXPENSES; PRESERVATION OF COLLATERAL.**

**§9.1. Expenses Incurred by Administrative Agent.** In its discretion, the Administrative Agent may discharge taxes and other encumbrances at any time levied or placed on any of the Collateral, make repairs thereto and pay any necessary filing fees. The US Companies jointly and severally agree to reimburse the Administrative Agent on demand for any and all expenditures so made. The Administrative Agent shall have no obligation to any of the US Companies to make any such expenditures, nor shall the making thereof relieve any of the US Companies of any default.

**§9.2. Administrative Agent's Obligations and Duties.** Anything herein to the contrary notwithstanding, each of the US Companies shall remain liable under each contract or agreement comprising the Collateral to be observed or performed by such US Company thereunder. Neither the Administrative Agent nor any Bank shall have any obligation or liability under any such contract or agreement by reason of or arising out of this Agreement or the receipt by the Administrative Agent or any Bank of any payment relating to any of the Collateral, nor shall the Administrative Agent or any Bank be obligated in any manner to perform any of the obligations of the US Companies under or pursuant to any such contract or agreement, to make inquiry as to the nature or sufficiency of any payment received by the Administrative Agent or any Bank in respect of the Collateral or as to the sufficiency of any performance by any party under any such contract or agreement, to present or file any claim, to take any action to enforce any performance or to collect the payment of any amounts which may have been assigned to the Administrative Agent or to which the Administrative Agent or any Bank may be entitled at any time or times. The Administrative Agent's sole duty with respect to the custody, safe keeping and physical preservation of the Collateral in its possession, under §9-207 of the Uniform Commercial Code of the Commonwealth of Massachusetts or otherwise, shall be to deal with such Collateral in the same manner as the Administrative Agent deals with similar property for its own account. Notwithstanding the foregoing sentence, the Administrative Agent recognizes that in accordance with §1-102(3) of the Uniform Commercial Code of the Commonwealth of Massachusetts it may not disclaim its duty of reasonable care with respect to §9-207(1) of the Uniform Commercial Code of the Commonwealth of Massachusetts.

**§10. SECURITIES AND DEPOSITS.** The Administrative Agent may at any time after the occurrence and during the continuance of a Default or an Event of Default, at its option, transfer to itself or any nominee any securities constituting Collateral, receive any income thereon and hold such income as additional Collateral or apply it to the Obligations. Whether or not any Obligations are due, after the occurrence and during the continuance of a Default or an Event of Default the Administrative Agent may demand, sue for, collect, or make any settlement or compromise which it deems desirable with respect to the Collateral. Regardless of the adequacy of Collateral or any other security for the Obligations, any deposits or other sums at any time credited by or due from the Administrative Agent or any Bank to any of the US Companies may at any time after the occurrence and during the continuance of a Default or an Event of Default be applied to or set off against any of the Obligations.

**§11. NOTIFICATION TO ACCOUNT DEBTORS AND OTHER OBLIGORS.** If a Default or an Event of Default shall have occurred and be continuing, each of the US Companies shall, at the request of the Administrative Agent, notify account debtors on accounts, chattel

paper and general intangibles of such US Company and obligors on instruments for which such US Company is an obligee of the security interest of the Administrative Agent in any account, chattel paper, general intangible or instrument and that payment thereof is to be made directly to the Administrative Agent or to any financial institution designated by the Administrative Agent as the Administrative Agent's agent therefor, and the Administrative Agent may itself, if a Default or an Event of Default shall have occurred and be continuing, without notice to or demand upon any of the US Companies, so notify account debtors and obligors. After the making of such a request or the giving of any such notification, each of the US Companies shall hold any proceeds of collection of accounts, chattel paper, general intangibles and instruments received by such US Company as trustee for the Administrative Agent, for the benefit of the Banks and the Agents, without commingling the same with other funds of such US Company and shall turn the same over to the Administrative Agent in the identical form received, together with any necessary endorsements or assignments. The Administrative Agent shall apply the proceeds of collection of accounts, chattel paper, general intangibles and instruments received by the Administrative Agent to the Obligations, such proceeds to be immediately entered after final payment in cash or solvent credits of the items giving rise to them.

**§12. FURTHER ASSURANCES.** Each of the US Companies, at its own expense, shall do, make, execute and deliver all such additional and further acts, things, deeds, assurances and instruments as the Administrative Agent may reasonably require more completely to vest in and assure to the Administrative Agent and the Banks their respective rights hereunder or in any of the Collateral, including, without limitation, (a) executing, delivering and, where appropriate, filing (i) financing statements and continuation statements under the Uniform Commercial Code and (ii) supplemental security agreements and other instruments as referred to in §§3.2 and 3.5, (c) obtaining governmental and other third party consents and approvals, including without limitation any consents referred to in §3.7 hereof, (c) obtaining waivers from mortgagees and landlords and (d) taking all actions required by Sections 8-313 and 8-321 of the Uniform Commercial Code (1990) or Sections 8-106 and 9-115 of the Uniform Commercial Code (1994), as applicable in each relevant jurisdiction, with respect to certificated and uncertificated securities.

**§13. POWER OF ATTORNEY.**

**§13.1. Appointment and Powers of Agent.** Each of the US Companies hereby irrevocably constitutes and appoints the Administrative Agent and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of such US Company or in the Administrative Agent's own name, to do the following:

(a) upon the occurrence and during the continuance of an Event of Default, to take any and all appropriate action and to execute any and all documents and instruments that may be necessary or desirable to accomplish the purposes of this Agreement and generally to sell, transfer, pledge, make any agreement with respect to or otherwise deal with any of the Collateral in such manner as is consistent with the Uniform Commercial Code of the Commonwealth of Massachusetts as fully and completely as though the

Administrative Agent were the absolute owner thereof for all purposes, and to do at such US Company's expense, at any time, or from time to time, all acts and things which the Administrative Agent deems necessary to protect, preserve or realize upon the Collateral and the Administrative Agent's security interest therein, in order to effect the intent of this Agreement, all as fully and effectively as such US Company might do, including, without limitation, (i) the filing and prosecuting of registration and transfer applications with the appropriate federal or local agencies or authorities with respect to trademarks, copyrights and patentable inventions and processes, (ii) upon written notice to such US Company, the exercise of voting rights with respect to voting securities, which rights may be exercised, if the Administrative Agent so elects, with a view to causing the liquidation in a commercially reasonable manner of assets of the issuer of any such securities and (iii) the execution, delivery and recording, in connection with any sale or other disposition of any Collateral, of the endorsements, assignments or other instruments of conveyance or transfer with respect to such Collateral; and

(b) to file such financing statements with respect hereto, with or without US Company's signature, or a photocopy of this Agreement in substitution for a financing statement, as the Administrative Agent may deem appropriate and to execute in such US Company's name such financing statements and amendments thereto and continuation statements which may require such US Company's signature.

**§13.2. Ratification by US Companies.** To the extent permitted by law, each of the US Companies hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof. This power of attorney is a power coupled with an interest and shall be irrevocable.

**§13.3. No Duty on Agent.** The powers conferred on the Administrative Agent hereunder are solely to protect the interests of the Administrative Agent and the Banks in the Collateral and shall not impose any duty upon the Administrative Agent to exercise any such powers. The Administrative Agent shall be accountable only for the amounts that it actually receives as a result of the exercise of such powers and neither it nor any of its officers, directors, employees or agents shall be responsible to any of the US Companies for any act or failure to act, except for the Administrative Agent's own gross negligence or willful misconduct.

**§14. REMEDIES.** If an Event of Default shall have occurred and be continuing, the Administrative Agent may, without notice to or demand upon any of the US Companies, declare this Agreement to be in default, and the Administrative Agent shall thereafter have in any jurisdiction in which enforcement hereof is sought, in addition to all other rights and remedies, the rights and remedies of a secured party under the Uniform Commercial Code and the rights and remedies of a secured party holding a security interest in collateral pursuant to the ITA, including, without limitation, the right to take possession of the Collateral, and for that purpose the Administrative Agent may, so far as the US Companies can give authority therefor, enter upon any premises on which the Collateral may be situated and remove the same therefrom. The Administrative Agent may in its discretion require the US Companies to assemble all or any part of the Collateral at such location or locations within the state(s) of the US Company's principal office(s) or at such other locations as the Administrative Agent may designate. Unless the

Collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, the Administrative Agent shall give to the US Companies at least ten (10) Business Days prior written notice of the time and place of any public sale of Collateral or of the time after which any private sale or any other intended disposition is to be made. Each of the US Companies hereby acknowledges that ten (10) Business Days prior written notice of such sale or sales shall be reasonable notice. To the extent that any of the Obligations are to be paid or performed by a person other than the US Companies, each of the US Companies waives and agrees not to assert any rights or privileges which it may have under §9-112 of the Uniform Commercial Code of the Commonwealth of Massachusetts.

**§15. NO WAIVER, ETC.** Each of the US Companies waives demand, notice, protest, notice of acceptance of this Agreement, notice of loans made, credit extended, Collateral received or delivered or other action taken in reliance hereon and all other demands and notices of any description. With respect to both the Obligations and the Collateral, each of the US Companies assents to any extension or postponement of the time of payment or any other indulgence, to any substitution, exchange or release of or failure to perfect any security interest in any Collateral, to the addition or release of any party or person primarily or secondarily liable, to the acceptance of partial payment thereon and the settlement, compromising or adjusting of any thereof, all in such manner and at such time or times as the Administrative Agent may deem advisable. The Administrative Agent shall have no duty as to the collection or protection of the Collateral or any income thereon, nor as to the preservation of rights against prior parties, nor as to the preservation of any rights pertaining thereto beyond the safe custody thereof as set forth in §9.2 hereof. The Administrative Agent shall not be deemed to have waived any of its rights upon or under the Obligations or the Collateral unless such waiver shall be in writing and signed by the Administrative Agent with the consent of the Majority Banks. No delay or omission on the part of the Administrative Agent in exercising any right shall operate as a waiver of such right or any other right. A waiver on any one occasion shall not be construed as a bar to or waiver of any right on any future occasion. All rights and remedies of the Administrative Agent with respect to the Obligations or the Collateral, whether evidenced hereby or by any other instrument or papers, shall be cumulative and may be exercised singularly, alternatively, successively or concurrently at such time or at such times as the Administrative Agent deems expedient.

**§16. MARSHALLING.** Neither the Administrative Agent nor any Bank shall be required to marshal any present or future collateral security (including but not limited to this Agreement and the Collateral) for, or other assurances of payment of, the Obligations or any of them or to resort to such collateral security or other assurances of payment in any particular order, and all of the rights of the Administrative Agent hereunder and of the Administrative Agent or any Bank in respect of such collateral security and other assurances of payment shall be cumulative and in addition to all other rights, however existing or arising. To the extent that it lawfully may, each of the US Companies hereby agrees that it will not invoke any law relating to the marshalling of collateral which might cause delay in or impede the enforcement of the Administrative Agent's rights under this Agreement or under any other instrument creating or evidencing any of the Obligations or under which any of the Obligations is outstanding or by which any of the Obligations is secured or payment thereof is otherwise assured, and, to the



extent that it lawfully may, each of the US Companies hereby irrevocably waives the benefits of all such laws.

**§17. PROCEEDS OF DISPOSITIONS; EXPENSES.** The US Companies jointly and severally agree to pay to the Administrative Agent on demand any and all expenses, including reasonable attorneys' fees and disbursements, incurred or paid by the Administrative Agent in protecting, preserving or enforcing the Administrative Agent's or the Banks' rights under or in respect of any of the Obligations or any of the Collateral. After deducting all of said expenses, the residue of any proceeds of collection or sale of the Obligations or Collateral shall, to the extent actually received in cash, be applied to the payment of the Obligations in such order or preference as is provided in the Credit Agreement, proper allowance and provision being made for any Obligations not then due. Upon the final payment and satisfaction in full of all of the Obligations and after making any payments required by Section 9-504(1)(c) of the Uniform Commercial Code of the Commonwealth of Massachusetts, any excess shall be returned to the US Companies, and the US Companies shall remain liable for any deficiency in the payment of the Obligations.

**§18. OVERDUE AMOUNTS.** Until paid, all amounts due and payable by the US Companies hereunder shall be a debt secured by the Collateral and shall bear, whether before or after judgment, interest at the rate of interest for overdue principal set forth in the Credit Agreement.

**§19. GOVERNING LAW; CONSENT TO JURISDICTION. THIS AGREEMENT IS INTENDED TO TAKE EFFECT AS A SEALED INSTRUMENT AND SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE COMMONWEALTH OF MASSACHUSETTS.** Each of the US Companies agrees that any suit for the enforcement of this Agreement may be brought in the courts of the Commonwealth of Massachusetts or any federal court sitting therein and consents to the non-exclusive jurisdiction of such court and to service of process in any such suit being made upon such US Company by mail at the address specified in §21 of the Credit Agreement.

**§20. WAIVER OF JURY TRIAL. EACH OF THE US COMPANIES WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS AGREEMENT, ANY RIGHTS OR OBLIGATIONS HEREUNDER OR THE PERFORMANCE OF ANY SUCH RIGHTS OR OBLIGATIONS.** Except as prohibited by law, each of the US Companies waives any right which it may have to claim or recover in any litigation referred to in the preceding sentence any special, exemplary or punitive damages or any damages other than, or in addition to, actual damages. Each of the US Companies (i) certifies that neither the Administrative Agent or any Bank nor any representative, agent or attorney of the Administrative Agent or any Bank has represented, expressly or otherwise, that the Administrative Agent or any Bank would not, in the event of litigation, seek to enforce the foregoing waivers and (ii) acknowledges that, in entering into the Credit Agreement and the other Loan Documents to which the Administrative Agent or any Bank is a party, the Administrative Agent and the Banks are relying upon, among other things, the waivers and certifications contained in this §20.

**§21. Concerning Revised Article 9 of the Uniform Commercial Code.** The parties acknowledge and agree to the following provisions of this Agreement in anticipation of the possible application, in one or more jurisdictions to the transactions contemplated hereby, of the revised Article 9 of the Uniform Commercial Code in the form or substantially in the form approved in 1998 by the American Law Institute and the National Conference of Commissioners on Uniform State Law ("Revised Article 9").

**21.1. Attachment.** In applying the law of any jurisdiction in which Revised Article 9 is in effect, the Collateral shall be all assets of the US Companies, whether or not within the scope of Revised Article 9. The Collateral shall include, without limitation, the following categories of assets as defined in Revised Article 9: goods (including inventory, equipment and any accessions thereto), instruments (including promissory notes), documents, accounts (including health-care-insurance receivables), chattel paper (whether tangible or electronic), deposit accounts, letter-of-credit rights (whether or not the letter of credit is evidenced by a writing), commercial tort claims, securities and all other investment property, general intangibles (including payment intangibles and software), supporting obligations and any and all proceeds of any thereof, wherever located, whether now owned and hereafter acquired. If any of the US Companies shall at any time, whether or not Revised Article 9 is in effect in any particular jurisdiction, acquire a commercial tort claim, as defined in Revised Article 9, such US Company shall immediately notify the Administrative Agent in a writing signed by such US Company of the brief details thereof and grant to the Administrative Agent in such writing a security interest therein and in the proceeds thereof, all upon the terms of this Agreement, with such writing to be in form and substance satisfactory to the Administrative Agent.

**21.2. Perfection by Filing.** The Administrative Agent may at any time and from time to time, pursuant to the provisions of §13, file financing statements, continuation statements and amendments thereto that describe the Collateral as all assets of the applicable US Companies or words of similar effect and which contain any other information required by Part 5 of Revised Article 9 for the sufficiency or filing office acceptance of any financing statement, continuation statement or amendment, including whether such US Company is an organization, the type of organization and any organization identification number issued to such US Company. Each of the US Companies agrees to furnish any such information to the Administrative Agent promptly upon request. Any such financing statements, continuation statements or amendments may be signed by the Administrative Agent on behalf of any of the US Companies, as provided in §13, and may be filed at any time in any jurisdiction whether or not Revised Article 9 is then in effect in that jurisdiction.

**21.3. Other Perfection, etc.** Each of the US Companies shall at any time and from time to time, whether or not Revised Article 9 is in effect in any particular jurisdiction, take such steps as the Administrative Agent may reasonably request for the Administrative Agent (a) to obtain an acknowledgement, in form and substance satisfactory to the Administrative Agent, of any bailee having possession of any of the Collateral that the bailee holds such Collateral for the Administrative Agent, (b) to obtain "control" of any investment property, deposit accounts, letter-of-credit rights or electronic chattel paper (as such terms

are defined in Revised Article 9 with corresponding provisions in Rev. §§ 9-104, 9-105, 9-106 and 9-107 relating to what constitutes "control" for such items of Collateral), with any agreements establishing control to be in form and substance satisfactory to the Administrative Agent, and (c) otherwise to insure the continued perfection and priority of the Administrative Agent's security interest in any of the Collateral and of the preservation of its rights therein, whether in anticipation and following the effectiveness of Revised Article 9 in any jurisdiction.

**21.4. Other Provisions.** In applying the law of any jurisdiction in which Revised Article 9 is in effect, the following references to sections in this Agreement to existing Article 9 of that jurisdiction shall be to the Revised Article 9 Section of that jurisdiction indicated below:

Agreement Section	Existing Article 9	Revised Article 9
9.2	§ 9-207	Rev. §9-207
12	§§ 8-106 and 9-115 (1994)	Rev. §§ 8-106 and 9-106
17	§ 9-504(1)(c)	Rev. §§ 9-608(a)(1)(C) and 9-615(a)(3)

**21.5. Savings Clause.** Nothing contained in this §21 shall be construed to narrow the scope of the Administrative Agent's security interest in any of the Collateral or the perfection or priority thereof or to impair or otherwise limit any of the rights, powers, privileges or remedies of the Administrative Agent or any Bank hereunder except (and then only to the extent) mandated by Revised Article 9 to the extent then applicable.

**§22. MISCELLANEOUS.** The headings of each section of this Agreement are for convenience only and shall not define or limit the provisions thereof. This Agreement and all rights and obligations hereunder shall be binding upon each of the US Companies and its respective successors and assigns, and shall inure to the benefit of the Agents, the Banks and their respective successors and assigns. If any term of this Agreement shall be held to be invalid, illegal or unenforceable, the validity of all other terms hereof shall in no way be affected thereby, and this Agreement shall be construed and be enforceable as if such invalid, illegal or unenforceable term had not been included herein. The US Companies acknowledge receipt of a copy of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this US Security Agreement to be duly executed as an instrument under seal by their authorized representatives as of the date first written above.

GENESEE & WYOMING INC.

By: *Mark W. Hastings*  
Name: MARK W. HASTINGS  
Title: *Treasurer + Chief Financial Officer*

COMMONWEALTH/STATE OF New York )  
 ) ss.  
COUNTY OF Monroe )

*sgm*  
*Financial* On this 13<sup>th</sup> day of Aug., 1999 before me personally appeared *Mark W. Hastings* <sup>↑</sup>, to me personally known, who, being by me duly sworn, says that he is the Treasurer and Chief ~~Accounting~~ Officer of Genesee & Wyoming Inc. and that he is duly authorized to sign the foregoing instrument on behalf of each of said corporation, and he acknowledges that the execution of the foregoing instrument was the free act and deed of each of said corporation.

*Susan J. Melech*  
Notary Public  
My commission expires:

SUSAN J. MELECH  
Notary Public, State of New York  
Qualified in Monroe County  
Commission Expires Dec. 31, 2000

BRADFORD INDUSTRIAL RAIL, INC.

By: [Signature]  
Name: David J. Collins  
Title: Vice President

COMMONWEALTH/STATE OF New York )  
 ) ss.  
COUNTY OF Monroe )

DAVID J. COLLINS

On this 13<sup>th</sup> day of Aug., 1999 before me personally appeared ↑, to me personally known, who, being by me duly sworn, says that he is the Vice-Pres of Bradford Industrial Rail, Inc. and that he is duly authorized to sign the foregoing instrument on behalf of each of said corporation, and he acknowledges that the execution of the foregoing instrument was the free act and deed of each of said corporation.

[Signature]  
Notary Public  
My commission expires:

**SUSAN J. MELECH**  
Notary Public, State of New York  
Qualified in Monroe County  
Commission Expires Dec. 31, 2000

DANSVILLE AND MOUNT MORRIS  
RAILROAD COMPANY

By: [Signature]  
Name: David J. Collins  
Title: President

COMMONWEALTH/STATE OF New York )  
 ) ss.  
COUNTY OF Monroe )

David J. Collins

On this 13<sup>th</sup> day of Aug., 1999 before me personally appeared ↑, to me personally known, who, being by me duly sworn, says that he is the President of ~~Bradford Industrial Rail, Inc. and~~ Dansville and Mount Morris Railroad Company and that he is duly authorized to sign the foregoing instrument on behalf of each of said corporation, and he acknowledges that the execution of the foregoing instrument was the free act and deed of each of said corporation. sgm

[Signature]  
Notary Public  
My commission expires:

**SUSAN J. MELECH**  
Notary Public, State of New York  
Qualified in Monroe County  
Commission Expires Dec. 31, 2000

GENESEE & WYOMING RAILROAD  
SERVICES, INC.

By: [Signature]  
Name: DAVID J. Collins  
Title: Vice President and Secretary

COMMONWEALTH/STATE OF New York )  
 ) ss.  
COUNTY OF Monroe )

On this 13<sup>th</sup> day of Aug, 1999 before me personally appeared DAVID J. Collins ↑, to me personally known, who, being by me duly sworn, says that he is the VP-Secy of Genesee & Wyoming Railroad Services, Inc. and that he is duly authorized to sign the foregoing instrument on behalf of each of said corporation, and he acknowledges that the execution of the foregoing instrument was the free act and deed of each of said corporation.

[Signature: Susan J. Melech]  
Notary Public  
My commission expires:

**SUSAN J. MELECH**  
Notary Public, State of New York  
Qualified in Monroe County  
Commission Expires Dec. 31, 2000

GWI LEASING CORPORATION

By: [Signature]  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

COMMONWEALTH/STATE OF \_\_\_\_\_ )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_ day of \_\_\_\_\_, 1999 before me personally appeared \_\_\_\_\_, to me personally known, who, being by me duly sworn, says that he is the \_\_\_\_\_ of GWI Leasing Corporation and that he is duly authorized to sign the foregoing instrument on behalf of each of said corporation, and he acknowledges that the execution of the foregoing instrument was the free act and deed of each of said corporation.

\_\_\_\_\_  
Notary Public  
My commission expires:

My commission expires:

**GENESEE & WYOMING RAILROAD  
SERVICES, INC.**

By: \_\_\_\_\_  
Name:  
Title:


COMMONWEALTH/STATE OF \_\_\_\_\_)

COUNTY OF \_\_\_\_\_ ) ss.  
)

On this \_\_\_\_ day of \_\_\_\_\_, 1999 before me personally appeared \_\_\_\_\_, to me personally known, who, being by me duly sworn, says that he is the \_\_\_\_\_ of Genesee & Wyoming Railroad Services, Inc. and that he is duly authorized to sign the foregoing instrument on behalf of each of said corporation, and he acknowledges that the execution of the foregoing instrument was the free act and deed of each of said corporation.

\_\_\_\_\_  
Notary Public  
My commission expires:

**GWILEASING CORPORATION**

By:   
Name: Mark W Hastings  
Title: President & Treasurer

STATE OF CONNECTICUT

COUNTY OF FAIRFIELD ) ss.  
)

On this 12<sup>th</sup> day of August, 1999 before me personally appeared Mark W Hastings to me personally known, who, being by me duly sworn, says that he is the President and Treasurer of GWI Leasing Corporation and that he is duly authorized to sign the foregoing instrument on behalf of each of said corporation, and he acknowledges that the execution of the foregoing instrument was the free act and deed of each of said corporation.

\_\_\_\_\_  
Notary Public  
My commission expires: **VIRGINIA M. REEVES**  
**NOTARY PUBLIC**  
**MY COMMISSION EXPIRES MAR. 31, 2003**

CAROLINA COASTAL RAILWAY, INC.  
COMMONWEALTH RAILWAY, INCORPORATED  
CORPUS CHRISTI TERMINAL RAILROAD, INC.  
GOLDEN ISLES TERMINAL RAILROAD, INC.  
ILLINOIS & MIDLAND RAILROAD, INC.  
LOUISIANA & DELTA RAILROAD, INC.  
RAIL LINK, INC.  
ROCHESTER & SOUTHERN RAILROAD, INC.  
SAVANNAH PORT TERMINAL RAILROAD, INC.  
TALLEYRAND TERMINAL RAILROAD  
COMPANY, INC.  
ALLEGHENY & EASTERN RAILROAD, INC.  
BUFFALO & PITTSBURGH RAILROAD, INC.  
PITTSBURGH & SHAWMUT RAILROAD, INC.  
PORTLAND & WESTERN RAILROAD, INC.  
WILLAMETTE & PACIFIC RAILROAD, INC.  
GENESEE AND WYOMING RAILROAD  
COMPANY  
GWI RAIL MANAGEMENT CORPORATION

By: 

Name: Mark W Hastings

Title: Treasurer

STATE OF CONNECTICUT

) ss.

COUNTY OF FAIRFIELD )

On this 12<sup>th</sup> day of August, 1999 before me personally appeared Mark W Hastings, to me personally known, who, being by me duly sworn, says that he is the Treasurer of Carolina Coastal Railway, Inc., Commonwealth Railway, Incorporated, Corpus Christi Terminal Railroad, Inc., Golden Isles Terminal Railroad, Inc., Louisiana Delta & Railroad, Inc., Rail Link, Inc., Rochester & Southern Railroad, Inc., Savannah Port Terminal Railroad, Inc., Talleyrand Terminal Railroad Company, Inc., Allegheny & Eastern Railroad, Inc., Buffalo & Pittsburgh Railroad, Inc., Pittsburgh & Shawmut Railroad, Inc., Portland & Western Railroad, Inc., Willamette & Pacific Railroad, Inc., Genessee and Wyoming Railroad Company and GWI Rail Management Corporation and that he is duly authorized to sign the foregoing instrument on behalf of each of said corporation, and he acknowledges that the execution of the foregoing instrument was the free act and deed of each of said corporation.

  
Notary Public

My commission expires:

VIRGINIA M. REEVES  
NOTARY PUBLIC

MY COMMISSION EXPIRES MAR. 31, 2003



**GWI CANADA, INC.**

By: \_\_\_\_\_

Name: Mark W Hastings

Title: Treasurer

STATE OF CONNECTICUT

) ss.

COUNTY OF FAIRFIELD )


On this 12<sup>th</sup> day of August, 1999 before me personally appeared **Mark W Hastings**, to me personally known, who, being by me duly sworn, says that he is the **treasurer** of GWI Canada, Inc., and that he is duly authorized to sign the foregoing instrument on behalf of said corporation, and he acknowledges that the execution of the foregoing instrument was the free act and deed of said corporation.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_

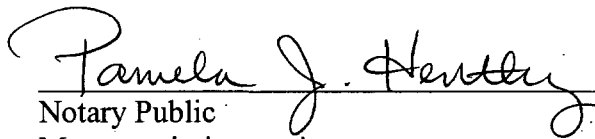
\_\_\_\_\_  
**VIRGINIA M. REEVES**  
**NOTARY PUBLIC**  
MY COMMISSION EXPIRES MAR. 31, 2003

**BANKBOSTON, N.A.,**  
**as Administrative Agent**

By:   
Name: Dexter Freeman  
Title: Director

COMMONWEALTH/STATE OF Massachusetts )  
 ) ss.  
COUNTY OF Suffolk )

On this 13th day of August, 1999 before me personally appeared Dexter Freeman, to me personally known, who, being by me duly sworn, says that he is a Director of BankBoston, N.A., and that he is duly authorized to sign the foregoing instrument on behalf of said banking association, and he acknowledges that the execution of the foregoing instrument was the free act and deed of said banking association.

  
Notary Public  
My commission expires:  
PAMELA J. HENTLEY, Notary Public  
My Commission Expires June 21, 2002

**INSTRUMENT OF ADHERENCE**  
**(US SECURITY AGREEMENT)**

\_\_\_\_\_ , \_\_\_\_\_

To: The Administrative Agent and the Banks who are parties to the  
Credit Agreement (as such terms are defined below):

Reference is hereby made to the US Security Agreement (the "Security Agreement") dated as of August \_\_, 1999 among (a) Genesee & Wyoming Inc. (the "US Borrower"), Allegheny & Eastern Railroad, Inc., Bradford Industrial Rail, Inc., Buffalo & Pittsburgh Railroad, Inc., Carolina Coastal Railway, Inc., Commonwealth Railway, Inc., Corpus Christi Terminal Railroad, Inc., Dansville and Mount Morris Railroad Company, Genesee and Wyoming Railroad Company, Genesee & Wyoming Railroad Services, Inc., Golden Isles Terminal Railroad, Inc., GWI Canada, Inc., GWI Leasing Corporation, GWI Rail Management Corporation, Illinois & Midland Railroad, Inc., Louisiana & Delta Railroad, Inc., Pittsburg & Shawmut Railroad, Inc., Portland & Western Railroad, Inc., Rail Link, Inc., Rochester & Southern Railroad, Inc., Savannah Port Terminal Railroad, Inc., Talleyrand Terminal Railroad Company, Inc. and Willamette & Pacific Railroad, Inc. (each, a "US Restricted Subsidiary" and collectively, the "US Restricted Subsidiaries") (each of the US Borrower and the US Restricted Subsidiaries hereinafter referred to individually as a "US Company" and collectively as the "US Companies"), and (b) **BANKBOSTON, N.A.**, as Administrative Agent for itself and other financial institutions (hereinafter, collectively, the "Banks") which are or may become parties to that certain Third Amended and Restated Revolving Credit and Term Loan Agreement dated as of August \_\_, 1999 (as amended and in effect from time to time, the "Credit Agreement"), by and among \_\_\_\_\_ (the "New US Company"), the US Borrower, Quebec Gatineau Railway Inc., Australia Southern Railroad Pty. Limited, ACN 079 444 296, Compania de Ferrocarriles Chiapas-Mayab, S.A. de C.V., the Guarantors named therein, the Banks, The First National Bank of Chicago, as documentation agent for the Banks (acting in such capacity, the "Documentation Agent") and as Australian agent for the Australian Banks (acting in such capacity, the "Australian Agent"), BankBoston, N.A., as administrative agent and syndication agent for itself and the Banks (the "Administrative Agent" and collectively, with the Documentation Agent and the Australian Agent, the "Agents") and BancBoston Robertson Stephens Inc., as arranger (the "Arranger"). All capitalized terms used herein without definitions shall have the meanings given such terms in the Credit Agreement and the Security Agreement.

The undersigned acknowledges, and represents and warrants, the following: (i) the undersigned is a corporation incorporated on or prior to the date hereof; (ii) as of the date hereof the undersigned has become a Guarantor under the Credit Agreement pursuant to and in accordance with the Instrument of Adherence (Guaranty) dated as of the date hereof (the "Instrument") and is subject to and bound by all of the terms, conditions and covenants thereof; (iii) the undersigned is jointly and severally liable, together with the US Companies, for the payment and performance of all Obligations of the Borrowers under the Credit Agreement; (iv) it is a condition precedent to the Banks' making any additional loans or otherwise extending credit to the Borrowers under the Credit Agreement that the New US Company execute and deliver to the Administrative Agent, for the benefit of the Banks and the Agents, this instrument of adherence; and (v) the New US Company wishes to grant security interests in favor of the Administrative Agent, for the benefit of the Banks and the Agents, as herein provided and to become a party to the Security Agreement.

The undersigned by its execution of this Instrument of Adherence hereby joins the Security Agreement and becomes a party thereto for all purposes thereof. The undersigned further covenants and agrees that by its execution hereof it shall be bound by and shall comply with all terms and conditions of the Security Agreement, and thereby and hereby grants to the Administrative Agent, for the benefit of the Banks and the Agents, to secure the payment and performance in full of all of the Obligations (including the Australian Obligations and Canadian Obligations), a security interest in and so pledges and assigns to the Administrative Agent, for the benefit of the Banks and the Agents, the following properties, assets and rights of the undersigned, wherever located, whether now owned or hereafter acquired or arising, and all proceeds and products thereof (all of the same being hereinafter called the "Collateral"):

All personal and fixture property of every kind and nature including, without limitation, all goods, accounts, including all accounts receivable, deposit accounts, contract rights, all rights of the New US Company under any agreements with operating railroads pursuant to which rights of passage over tracks are granted during periods of emergency and disasters, all rights of the New US Company under any leases pursuant to which the New US Company leases any rolling stock, locomotives or other rail cars, of every kind and description, to any other person, all licenses, permits, agreements of any kind or nature pursuant to which the New US Company possesses, uses or has authority to possess or use property (whether tangible or intangible) of others or others possess, use or have authority to possess or use property (whether tangible or intangible) of the New US Company, all recorded data of any kind or nature, regardless of the medium of recording including, without limitation, all software, writings, plans, specifications and schematics, all rights to the payment of money including without limitation tax refund claims, insurance refund claims and all other insurance claims and proceeds, tort claims, chattel paper, documents, instruments, general intangibles, all certificated and uncertificated securities and other investment property (other than the stock of the Unrestricted Subsidiaries), together with all income therefrom, increases thereunder and proceeds thereof, patents, patent applications, trademarks, trademark applications, tradenames, copyrights, copyright applications, rights to sue and recover for past infringement of patents, trademarks and copyrights, computer programs, computer

software, engineering drawings, service marks, customer lists, goodwill, books and records, furniture, fixtures, motor vehicles of every kind and description including, without limitation, the motor vehicles described on Schedule 1 attached hereto, and all related equipment, parts and accessories with respect thereto (including, without limitation, tires and parts, whether now owned or hereafter acquired), and all substitutions and replacements therefor, rolling stock, locomotives and all other rail cars of every kind and description, including, without limitation, the rolling stock, locomotives and rail cars described on Schedule 2 attached hereto, rail, ties and capital improvements thereon, equipment, all maintenance of way equipment, including, without limitation, the maintenance of way equipment having an original value of greater than \$50,000 which is described on Schedule 3 attached hereto, inventory and all other capital assets and raw materials.

The undersigned has attached hereto a duly completed Perfection Certificate in the form prescribed by the Security Agreement, and represents and warrants as provided in the Security Agreement with respect to the matters set forth in such Perfection Certificate. The undersigned further covenants and agrees that by its execution hereof it shall provide all such information, complete all such forms and, take all such actions, and enter into all such agreements, in form and substance reasonably satisfactory to the Administrative Agent that are reasonably deemed necessary by the Administrative Agent in order to grant a valid, first-priority perfected security interest to the Administrative Agent and the Banks in all of the assets of the undersigned securing the Obligations.

Very truly yours,

**[NEW US COMPANY]**

By: \_\_\_\_\_  
Name:  
Title:

Accepted:

**BANKBOSTON, N.A., as Administrative Agent**

By: \_\_\_\_\_  
Name:  
Title:

**FORM OF AMENDMENT TO**  
**US SECURITY AGREEMENT**

AMENDMENT NO. \_\_\_\_ TO US SECURITY AGREEMENT (this "Amendment"), dated as of \_\_\_\_\_, \_\_\_, is by and among GENESEE & WYOMING INC., a Delaware corporation (the "US Borrower"), ALLEGHENY & EASTERN RAILROAD, INC., a Delaware corporation, BRADFORD INDUSTRIAL RAIL, INC., a Delaware corporation, BUFFALO & PITTSBURGH RAILROAD, INC., a Delaware corporation, CAROLINA COASTAL RAILWAY, INC., a Virginia corporation, COMMONWEALTH RAILWAY, INC., a Virginia corporation, CORPUS CHRISTI TERMINAL RAILROAD, INC., a Delaware corporation, DANSVILLE AND MOUNT MORRIS RAILROAD COMPANY, a New York corporation, GENESEE AND WYOMING RAILROAD COMPANY, a New York corporation, GENESEE & WYOMING RAILROAD SERVICES, INC., a Delaware corporation, GOLDEN ISLES TERMINAL RAILROAD, INC., a Delaware corporation, GWI CANADA, INC., a Delaware corporation, GWI LEASING CORPORATION, a Delaware corporation, GWI RAIL MANAGEMENT CORPORATION, a Delaware corporation, ILLINOIS & MIDLAND RAILROAD, INC., a Delaware corporation, LOUISIANA & DELTA RAILROAD, INC., a Delaware corporation, PITTSBURG & SHAWMUT RAILROAD, INC., a Delaware corporation, PORTLAND & WESTERN RAILROAD, INC., a New York corporation, RAIL LINK, INC., a Virginia corporation, ROCHESTER & SOUTHERN RAILROAD, INC., a New York corporation, SAVANNAH PORT TERMINAL RAILROAD, INC., a Delaware corporation, TALLEYRAND TERMINAL RAILROAD COMPANY, INC., a Virginia corporation, and WILLAMETTE & PACIFIC RAILROAD, INC., a New York corporation, (each, a "US Restricted Subsidiary" and collectively, the "US Restricted Subsidiaries") and such other **US RESTRICTED SUBSIDIARIES** which may become a party hereunder pursuant to a duly executed Instrument of Adherence in the form attached as Exhibit A hereto (each of the US Borrower and the US Restricted Subsidiaries hereinafter referred to individually as a "US Company" and collectively as the "US Companies") and BANKBOSTON, N.A., as Administrative Agent for itself and such other lending institutions (hereinafter, collectively, the "Banks") which are or may become parties to that certain Third Amended and Restated Revolving Credit and Term Loan Agreement dated as of August \_\_, 1999 (as amended and in effect from time to time, the "Credit Agreement"), by and among the US Borrower, Quebec Gatineau Railway Inc., Australia Southern Railroad Pty. Limited, ACN 079 444 296, Compania de Ferrocarriles Chiapas-Mayab, S.A. de C.V., the Guarantors named therein, the Banks, The First National Bank of Chicago, as documentation agent for the Banks (acting in such capacity, the "Documentation Agent") and as Australian agent for the Australian Banks (acting in such capacity, the "Australian Agent"), BankBoston, N.A., as administrative agent and syndication agent for itself and the Banks (the "Administrative Agent" and collectively, with the Documentation Agent and the Australian Agent, the "Agents") and BancBoston Robertson Stephens Inc., as arranger (the "Arranger").

**WHEREAS**, the US Companies and the Administrative Agent are parties to the US Security Agreement dated as of August \_\_, 1999 (as amended and in effect from time to time, the "Security Agreement").

**WHEREAS**, the US Companies and the Administrative Agent wish to add certain newly acquired Rolling Stock to the security interest created by the Security Agreement[, to change the identifying numbers on certain of the Rolling Stock] and in connection therewith to make certain amendments to the Security Agreement; and to reaffirm the Security Agreement's effectiveness upon such amendment;

**NOW, THEREFORE**, in consideration of the foregoing premises, the parties hereby agree as follows:

**§1. Capitalized Terms.** Capitalized terms used herein without definition that are defined in (or defined by reference in) the Security Agreement shall have the same meanings herein as in the Security Agreement.

**[§2. Amendment to the Security Agreement.** Schedule 2 to the Security Agreement, which lists all Rolling Stock of the US Companies, is hereby amended by adding thereto the Rolling Stock listed on Schedule 2 dated \_\_\_\_\_, 199\_\_ attached hereto. Schedule 2 dated \_\_\_\_\_, 199\_\_ is an addition to and does not supersede any Schedule 2 previously attached to the Security Agreement. ]

**§3. Continued Validity of Security Agreement.** The Security Agreement remains in full force and effect, and each of the US Companies reaffirms the continued validity of the Security Agreement and the security interests and obligations created thereby. Each of the US Companies hereby pledges and grants to the Administrative Agent for the benefit of the Banks and the Agents (and confirms its pledge and grant pursuant to the Security Agreement) a security interest in and lien on all of the Collateral (as such term is defined in the Security Agreement) including without limitation the Collateral described on Schedule 2 attached hereto.

**§4. Representations and Warranties.** Each of the US Companies represents and warrants that all of the representations and warranties set forth in the Security Agreement as hereby amended are true and correct on and as of the date hereof. All such representations and warranties are hereby ratified, affirmed and incorporated herein by reference, with the same force and effect as if set forth herein in their entirety.

**§5. Effectiveness.** This Amendment shall become effective as of the date first set forth above upon receipt by the Administrative Agent of counterparts of this Amendment duly executed by each of the US Companies and the Administrative Agent.

**§6. Miscellaneous Provisions.** (a) Except as otherwise expressly provided by this Amendment, all of the terms, conditions and provisions of the Security Agreement shall remain the same. It is declared and agreed by each of the parties hereto this Amendment and the Security Agreement shall be read and construed as one instrument.

**(b) THIS AMENDMENT IS INTENDED TO TAKE EFFECT AS AN AGREEMENT UNDER SEAL AND SHALL BE CONSTRUED ACCORDING TO AND GOVERNED BY THE LAWS OF THE COMMONWEALTH OF MASSACHUSETTS.**

(c) This Amendment may be executed in any number of counterparts, but all such counterparts shall together constitute but one instrument. In making proof of this Amendment it shall not be necessary to produce or account for more than one counterpart signed by each party hereto by and against which enforcement hereof is sought.



**IN WITNESS WHEREOF**, the parties hereto have caused this Amendment to be duly executed as an instrument under seal by their authorized representatives as of the date first written above.

**GENESEE & WYOMING INC.**

By: \_\_\_\_\_

Name:

Title:

COMMONWEALTH/STATE OF \_\_\_\_\_)

) ss.

COUNTY OF \_\_\_\_\_

)

On this \_\_\_\_ day of \_\_\_\_\_, 1999 before me personally appeared \_\_\_\_\_, to me personally known, who, being by me duly sworn, says that he is the \_\_\_\_\_ and Chief Accounting Officer of Genesee & Wyoming Inc. and that he is duly authorized to sign the foregoing instrument on behalf of each of said corporation, and he acknowledges that the execution of the foregoing instrument was the free act and deed of each of said corporation.

\_\_\_\_\_  
Notary Public

My commission expires:

[insert signature pages for other US Companies]

**FORM OF CONFIRMATORY ASSIGNMENT OF CONTRACT**

*[To be adapted as appropriate for assignment of state government receivables]*

This ASSIGNMENT, dated as of \_\_\_\_\_, is by [INSERT NAME OF COMPANY], a \_\_\_\_\_ (the "Company") in favor of BankBoston, N.A. as Administrative Agent for itself and certain other lending institutions (collectively, the "Banks").

WHEREAS, the Company is party to Contract No. \_\_\_\_\_ dated \_\_\_\_\_ between the Company and \_\_\_\_\_ (the "Contract") a copy of which is attached hereto; and

WHEREAS, the Company and the Administrative Agent have entered into a certain Security Agreement, dated as of August \_\_, 1999 (as amended and in effect from time to time, the "Security Agreement"), pursuant to which the Company has granted to the Administrative Agent, for the benefit of the Banks and the Agents, a security interest in certain assets of the Company, including all of the Company's rights in, to and under the Contract, to secure the Obligations referred to in the Security Agreement;

NOW, THEREFORE, the Company hereby confirms, acknowledges and agrees that, pursuant to and subject to the terms of the Security Agreement, the Company hereby assigns, transfers, pledges and grants to the Administrative Agent a security interest in all of the Company's right, title and interest in and to all monies due or to become due under the Contract.

EXECUTED as of the date first above written.

[NAME OF COMPANY]

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**FORM OF NOTICE OF ASSIGNMENT OF  
ACCOUNTS RECEIVABLE AS SECURITY**

*[To be adapted as appropriate for assignment of state government receivables]*

BankBoston, N.A., as Administrative Agent

[Insert Date]

To: [Contracting Official or Head of  
Agency, and Disbursing Official]

Re: Payments to [INSERT NAME OF COMPANY]  
Contract Number:  
Made by the United States of America  
Department:  
Division:

For:

Dated:

Ladies and Gentlemen:

PLEASE TAKE NOTICE that monies due or to become due to [INSERT NAME OF COMPANY] (the "Company") under the contract described above have been assigned to BankBoston, N.A. as Administrative Agent for itself and certain other lending institutions (collectively, the "Banks") as security for certain obligations of the Company to the Banks, as described more particularly in a Security Agreement (a true and correct copy of which is attached hereto), dated as of August \_\_, 1999, as the same may be amended and in effect from time to time. This notice is given pursuant to the provisions of the Assignment of Claims Act of 1940, as amended (31 U.S.C. §3727).

Payments due or to become due to the Company under the contract described above should continue to be made to the Company until you receive written notice from the Administrative Agent directing that such payments be made to another party.

Please return to the undersigned (in the enclosed, self-addressed stamped envelope) the enclosed extra copy of this notice with appropriate notations showing the

date and hour of receipt and duly signed by the person acknowledging receipt on behalf of the addressee.

Very truly yours,

**BANKBOSTON, N.A.**, as Administrative Agent

By: \_\_\_\_\_

Name:

Authorized Official  
100 Federal Street  
Boston, MA 02110

IRREVOCABLY ACKNOWLEDGED AND  
AGREED TO:

[NAME OF COMPANY]

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

ACKNOWLEDGMENT OF RECEIPT

Receipt of the above notice and a copy of the Security Agreement described above is hereby acknowledged. These were received at \_\_\_\_ a.m./p.m. on \_\_\_\_\_, 19\_\_.

\_\_\_\_\_  
Signature

On Behalf of:

[Name and Title of  
Addressee of Notice]

**SECURITY AGREEMENT**

**SCHEDULE 1**

**MOTOR VEHICLES**

**SEE LISTS ATTACHED**

COMPANY	UNIT #	YEAR	MAKE	VEHICLE IDENTIFICATION #	ST
ALLEGHENY & EASTERN RR	1105	1993	FORD	2FDKF38M9PCB20555	NY
ALLEGHENY & EASTERN RR	1191	1982	GENER	11200D300CT090324	NY
ALLEGHENY & EASTERN RR	1501	1993	FORD	1FMDU34X3PUA22250	NY
ALLEGHENY & EASTERN RR	2017	1995	CHEVY	1GCGK24K6SE189332	NY
ALLEGHENY & EASTERN RR	4134	1983	FORD	2FTHF25H6PCA24379	NY
ALLEGHENY & EASTERN RR	4135	1981	INTERN'T	1HTAA1857BHA26032	NY
ALLEGHENY & EASTERN RR	4218	1999	CHEVY	1GCGK29R7XF032067	NY
ALLEGHENY & EASTERN RR	4702	1986	OLDS	1G3GR82C9T4107320	NY
ALLEGHENY & EASTERN RR	4118	1993	CASE		PA
ALLEGHENY & EASTERN RR	4124	1982	FORD	1FDPK74NOCVA40735	PA
ALLEGHENY & EASTERN RR	4133	1992	FORD	2FDLF47G1NCA38547	PA
ALLEGHENY & EASTERN RR	4901	1993	FORD	1FTHF25G5PNA97776	PA
ALLEGHENY & EASTERN RR	4929	1993	FORD	1FDHF37H2PNA26445	NY
ALLEGHENY & EASTERN RR	5203	1979	INTERN"L	CF265JHA25846	PA
ALLEGHENY & EASTERN RR	5205	1986	JEEP	1JTHX6510GT133111	PA
ALLEGHENY & EASTERN RR	5208	1988	FORD	2FDKF38G7JCA29866	PA
ALLEGHENY & EASTERN RR	5210	1986	WARD	8201288	PA
ALLEGHENY & EASTERN RR	5213	1979	INTERN"L	AA192JCA17528	PA
ALLEGHENY & EASTERN RR	5229	1998	CHEVROLET	1GBKC34J2WJ101018	PA
ALLEGHENY & EASTERN RR	5230	1999	VOLVO	4VHJCBGG6XN866280	PA
ALLEGHENY & EASTERN RR	16010	1988	GMC	1GTDC14H1JE527127	PA
ALLEGHENY & EASTERN RR	16014	1990	FORD	1FDNF60KSLVA46631	PA

COMPANY	UNIT #	YEAR	MAKE	VEHICLE IDENTIFICATION #	ST
BUFFALO & PITTSBURGH RR	2111	1993	FORD	1FTHE24H5PHA18733	NY
BUFFALO & PITTSBURGH RR	2113	1993	FORD	2FTJW35G7PCA93905	NY
BUFFALO & PITTSBURGH RR	2114	1994	FORD	2FTJW35M3RCA24833	NY
BUFFALO & PITTSBURGH RR	2201	1994	NUWAY	415KD0817RH741873	NY
BUFFALO & PITTSBURGH RR	4114	1985	CHEVY	1GCGC34M7FJ173344	NY
BUFFALO & PITTSBURGH RR	4115	1983	CHEVY	1GBGC33M9DS157689	NY
BUFFALO & PITTSBURGH RR	4142	1996	FORD	1FTHF35H2TEA41884	NY
BUFFALO & PITTSBURGH RR	4701	1992	PONTIAC	1G2HX53L4N1241924	NY
BUFFALO & PITTSBURGH RR	4931	1993	FORD	1FDH37H0PNA27805	NY
BUFFALO & PITTSBURGH RR	4932	1993	FORD	2FTJW35H7PCA28402	NY
BUFFALO & PITTSBURGH RR	4989	1993	DITCH WITCH	1DS0000U8P17K1122	NY
BUFFALO & PITTSBURGH RR	4045		HOGG/DAVIS	58117	PA
BUFFALO & PITTSBURGH RR	4088	1998	CHEVY	1GNDT13W2W2200932	PA
BUFFALO & PITTSBURGH RR	4101	1989	FORD	1FTHX25H6KKA45332	PA
BUFFALO & PITTSBURGH RR	4102	1993	FORD	2FTHF25G0PCB06910	PA
BUFFALO & PITTSBURGH RR	4105	1988	FORD	1FTBR10T5JUD66576	PA
BUFFALO & PITTSBURGH RR	4108	1984	CHEVROLET	2GCGC24M3E1217648	PA
BUFFALO & PITTSBURGH RR	4109	1982	FORD	1FDNF60HXCA44703	PA
BUFFALO & PITTSBURGH RR	4110	1988	FORD	2FTJW35H8GCB44224	PA
BUFFALO & PITTSBURGH RR	4111	1988	FORD	1FTHF25H4GNA96269	PA
BUFFALO & PITTSBURGH RR	4112	1982	FORD	1FDNF60H1CVA44704	PA
BUFFALO & PITTSBURGH RR	4113	1980	CHEVY	CCM34AB119148	PA
BUFFALO & PITTSBURGH RR	4116	1987	FORD	2FDHF37HOHCA88501	PA
BUFFALO & PITTSBURGH RR	4117	1993	CASE	JJG0172349	PA
BUFFALO & PITTSBURGH RR	4127	1989	FORD	2FDLF47G2KCA94184	PA
BUFFALO & PITTSBURGH RR	4130	1991	FORD	2FTHF25H4MCA44092	PA
BUFFALO & PITTSBURGH RR	4135	1993	FORD	1FMDU34X8PUB32386	PA
BUFFALO & PITTSBURGH RR	4136	1985	CHEVROLET	1GBL7D1BOFV208394	PA
BUFFALO & PITTSBURGH RR	4139	1995	FORD	1FTJW35G93EA38584	PA
BUFFALO & PITTSBURGH RR	4141	1996	DOOG	1B7GL23X4TS582476	PA
BUFFALO & PITTSBURGH RR	4144	1996	CHEVROLET	3GNGC26R1TG110537	PA
BUFFALO & PITTSBURGH RR	4145	1999	CHEVROLET	1GBGK24R2XF025717	PA
BUFFALO & PITTSBURGH RR	4203	1986	CHEVY	1GBJC33J8FS196223	PA
BUFFALO & PITTSBURGH RR	4204	1989	FORD	1FTHF25Y3KLA26248	PA
BUFFALO & PITTSBURGH RR	4207	1994	GMC	1GDHK34N6RE532921	PA
BUFFALO & PITTSBURGH RR	4209	1989	FORD	1FTHX26H6KKB38284	PA
BUFFALO & PITTSBURGH RR	4216	1995	FORD	1FDLF47G2SEA09788	PA
BUFFALO & PITTSBURGH RR	4401	1998	FORD	1FTEF14Y7TLA06357	PA
BUFFALO & PITTSBURGH RR	4506	1988	FORD	1FMCU14TXJUD78652	PA
BUFFALO & PITTSBURGH RR	4507	1988	FORD	1FTCR10T0KUB40435	PA
BUFFALO & PITTSBURGH RR	4632	1989	ECONOL	42EDP2046K1000048	PA
BUFFALO & PITTSBURGH RR	4902	1988	FORD	1FMCU14T9JUD87777	PA
BUFFALO & PITTSBURGH RR	4903	1994	FORD	1FDHF37M1REA19583	PA
BUFFALO & PITTSBURGH RR	4927	1993	FORD	1FTEE14Y8PHA32039	NY
BUFFALO & PITTSBURGH RR	4933	1988	CHEVROLET	1GCHR33K5JJ124297	PA
BUFFALO & PITTSBURGH RR	4968	1993	DITCH WITCH	1DS0000U8P17KH22	PA
BUFFALO & PITTSBURGH RR	4970	1998	CHEVROLET	1GCGK24R2WZ191406	PA
BUFFALO & PITTSBURGH RR	4971	1998	CHEVROLET	1GCGK24ROWE242991	PA
BUFFALO & PITTSBURGH RR	4972	1997	CHEVROLET	1GBKC34J109174	PA
BUFFALO & PITTSBURGH RR	4973	1999	YAMAHA	JY44WUW08XA062179	PA
BUFFALO & PITTSBURGH RR	5215	1993	FORD	2FDLF47G1PCA98458	PA
BUFFALO & PITTSBURGH RR	5222	1995	GMC	1GDHK34N6SE521018	PA
BUFFALO & PITTSBURGH RR	5223	1996	FORD	1FTHX26G7TEA37309	PA
BUFFALO & PITTSBURGH RR	5224	1996	FORD	1FTHX26G3TEA37307	PA



COMPANY	UNIT #	YEAR	MAKE	VEHICLE IDENTIFICATION #	ST
BUFFALO & PITTSBURGH RR	5225	1996	FORD	1FTHX28G5TEA37308	PA
BUFFALO & PITTSBURGH RR	5228	1998	CHEVROLET	1GCGK24R1WZ166898	PA
BUFFALO & PITTSBURGH RR	5300	1996	FORD	1FDLF47G9TEA18948	PA
BUFFALO & PITTSBURGH RR	8402	1981	CHEVROLET	2FTBF14G3BCA27089	PA
BUFFALO & PITTSBURGH RR	8403	1987	CHEVROLET	2GCDR14H1HF302130	PA
BUFFALO & PITTSBURGH RR	16007	1993	DODGE	1B7HM16X1PS183022	PA
BUFFALO & PITTSBURGH RR	16008	1986	CHEVROLET	1GCGK24T8GJ157078	PA
BUFFALO & PITTSBURGH RR	16009	1993	CHEVROLET	1G1BL53EXPW139184	PA
BUFFALO & PITTSBURGH RR	16013	1995	CHEVROLET	1GNDT13W4S2180726	PA
BUFFALO & PITTSBURGH RR	16016	1995	CHEVROLET	1GNDT13W8SK185761	PA
BUFFALO & PITTSBURGH RR	16017	1992	FORD	2FTJW35H6NCA40635	PA
BUFFALO & PITTSBURGH RR	16018	1992	FORO	2FTJW35H6NCA40636	PA
BUFFALO & PITTSBURGH RR	16019	1992	GMC	1GKCT18Z8NO509714	PA
BUFFALO & PITTSBURGH RR	16021	1998	CHEVROLET	1GCGK24R5WZ188317	PA

COMPANY	UNIT #	YEAR	MAKE	VEHICLE IDENTIFICATION #	ST
GENESEE & WYOMING RR	1108	1985	FORD	1FDNF60H5FVA66133	NY
GENESEE & WYOMING RR	1117	1990	GMC	2GTEC14H5L1540651	NY
GENESEE & WYOMING RR	1176	1981	TROJAN	30169181	NY
GENESEE & WYOMING RR	1181	1990	JOHN DEERE	T0310CF765543	NY

7. Motor Vehicles.

**GOLDEN ISLES TERMINAL RAILROAD  
OWNED MOTOR VEHICLES**

<u>MAKE</u>	<u>MODEL</u>	<u>YEAR</u>	<u>STATE</u>
Ford	F-250 Pickup	1991	Georgia
Ford	F-250 Pickup	1995	Georgia

SCHEDULE

ILLINOIS & MIDLAND RAILROAD

Unit #	Year	Make	Vehicle Identification #
13154	1977	Ford Utility Trk	F50CVY00698
13161	1979	GMC Crew Cab Stake Trk	T17DD9V593219
13162	1979	GMC Cab Chassis Platform Trk	T15DA9V621152
13168	1980	GMC 2.5 Ton Utility Trk	T16DFAV603798
13177	1983	Chevy 2.5 Ton Stake Trk	1GBM7D1G4DV120641
13179	1986	Ford Crew Cab Platform Trk	1FDNK64N4FVA06450
13180	1985	Ford Crew Cab Platform Trk	1FDNK64N8FVA06449
13181	1986	Ford Chassis Cab Truck	1FDKF3714GPB17245
13182	1986	GMC Chassis Cab Trk	1GDJ6D1F0GV534749
13183	1986	GMC 3/4 Ton Pickup Rail Trk	1GTGC24J1GS529380
13184	1987	GMC 3/4 Ton Pickup Trk	1GTGR24J5HF728800
13185	1990	Chevy 3/4 Pickup Trk	1GCGC24K8LE108242
Unit #	Year	Make	Vehicle Identification #
13186	1990	Chevy 3/4 Ton Pickup Trk	1GCFC24K1LE192075

SCHEDULE  
LOUISIANA & DELTA RAILROAD

Unit #	Year	Make	Vehicle Identification #
3502	1987	Chevy	1GCGR24K7HS141398
3503	1987	Chevy	1GNDM1626HB141206
3504	1987	Chevy	1GCCG15ZXB7104B92
3507	1978	Ford	F375NCG3931
3508	1990	Ford	1FTHF26H4LNB57727
3509	1978	Intern'l	D053HHB14856
3510	1991	Chevy	1GNEL192KMB157010
3511	1984	Ford	1FABP43F8EZ111139
3512	1992	Chevy	1GNDM19E2NB144472
3513	1991	Chevy	2CGFC29K2M1215667
3514	1985	GMC	1GTGC23M3FS506550
361B	1979	Intern'l	AA192JCA17618
93002	1993	Chevy	1GCFK24K9PZ141165
93003	1993	Chevy	1GCFK24K6PE116926
B3004	1993	Chevy	2GCE26K6P4101077
94001	1994	Chevy	1GNEL19W4RB228442
94002	1994	Chevy	2GCFC29K7R1267137
94003	1994	Chevy	1GCHK33K1RJ402872
94004	1994	Chevy	1GCFK23K9RZ262636
95001	1994	Chevy	2GCFC28K3S11B2124
7035			1FMDA41X6SZB12099

13189	1992	GMC 1.5 Ton Trk	1GDKC34N5NJ519923
13190	1993	GMC Sierra 3500 Trk	1GDJC34K3PE541240
13191	1993	GMC Sierra 3500 Trk	1GDJC34K9PE541484
13195	1995	Chevy Trk	1GCGC24K6SE113888
13199	1995	Chevy Truck	1GCEC14H2SZ263088
13200	1995	Chevy Truck (leased)	1GCGC24K9SZ270226
13201	1996	GMC Truck (leased)	1GDL7H1JXTJ508565
13202	1997	Chevy Trk	1GCEC14W8VZ163905
13203	1997	Chevy Dump Trk	1CBJ7H1M5VJ111066
13204	1997	Chevy Suburban	3GNGK26R7VG176063
13205	1997	GMC 3500 HD Crew Cab	1GDKC34JXVJ514391
13206	1997	GMC HD Crew Cab	1GDJ7H1J8VJ519350
13207	1998	Chevy Van (leased)	1GCGG25R8W1007150
13208	1998	Chevy 3/4 Ton Trk (leased)	1GCGK24RXWZ184719
13209	1998	GMC Sierra Trk	1GDGC24RXWZ517058

COMPANY	UNIT #	YEAR	MAKE	VEHICLE IDENTIFICATION #	ST
PITTSBURG & SHAWMUT RR	4129	1991	FORD	2FTJW35H8MCA67267	PA
PITTSBURG & SHAWMUT RR	4137	1994	FORD	1FTDA24X6RZA01082	PA
PITTSBURG & SHAWMUT RR	4140	1995	FORD	1FTJW35G7SEA38583	PA
PITTSBURG & SHAWMUT RR	4143	1996	FORD	1FDLF47F6TEA52314	PA
PITTSBURG & SHAWMUT RR	4199	1989	FORD	1FDZY82A4KVA13	PA
PITTSBURG & SHAWMUT RR	16003	1980	GMC	T17DEAV801884	PA
PITTSBURG & SHAWMUT RR	16004	1993	GMC	1GTHK33K2PJ47647	PA
PITTSBURG & SHAWMUT RR	16005	1991	GMC	1GTGR33K4MF701274	PA
PITTSBURG & SHAWMUT RR	16006	1991	GMC	1GTGR33K3MF701203	PA
PITTSBURG & SHAWMUT RR	16011	1993	CHEVROLET	1GNDT13W2P2196687	PA
PITTSBURG & SHAWMUT RR	16012	1989	DODGE	1B7FE06X1KS045617	PA
PITTSBURG & SHAWMUT RR	16015	1981	GMC	1GDS8C4Y2BV558606	PA
PITTSBURG & SHAWMUT RR	16020	1987	FORD	1FDYY82A9HVA49191	PA

COMPANY	UNIT #	YEAR	MAKE	VEHICLE IDENTIFICATION #	ST
ROCHESTER & SOUTHERN RR	2110	1990	FORD	2FTJW35H4LCA90608	NY
ROCHESTER & SOUTHERN RR	2116	1999	CHEVROLET	1GCDT19X6X8109735	NY
ROCHESTER & SOUTHERN RR	2117	1999	CHEVROLET	1GCHK33R2XF051645	NY
ROCHESTER & SOUTHERN RR	2180	1989	JOHN DEERE	T0310CA757538	NY
ROCHESTER & SOUTHERN RR	2199	1985	GMC	1GDL7D1B5FV801170	NY
ROCHESTER & SOUTHERN RR	5221	1995	CHEVROLET	1GBJC34K2E181858	PA



7. Motor Vehicles.

SAVANNAH PORT TERMINAL RAILROAD  
OWNED MOTOR VEHICLES

<u>MAKE</u>	<u>MODEL</u>	<u>YEAR</u>	<u>STATE</u>
International	S4600	1990	Georgia
Mitsubishi	Mighty Max Pickup	1991	Georgia
Chevrolet	C-10 Pickup	1993	Georgia
Ford	Ranger Pickup	1993	Georgia

## SCHEDULE

### WILLIAMETTE & PACIFIC RAILROAD

Unit #	Year#	Make	Vehicle Identification
7001	1993	Ford	1FMDU34XOPUB32396
7002	1993	Ford	1FMEU16N7PLA20593
7004	1993	Ford	1FMEU15N4PLA48044
7005	1993	Ford	1FMEU15N2PLA20801
7006	1993	Ford	2FTHF28M5PCA01977
7007	1993	Ford	2FTHF28M3PCAD1962
7008	1992	Ford	2FTHF36H4NCA99437
PP	1992	Ford	2FTHF36M2NCA78969
7010	1992	Ford	2FDLF47M6NCB1246B
7011	1993	Ford	1FTHX26M2PKB09594
7012	1992	Ford	2FTHF25G5NCA786B1
7013	1993	Ford	2FTJW35M7PCB04598
7014	1993	Ford	2FTJW35M3PCA96077
7015	1992	Ford	2FTHF25G8NCA99475
7016	1993	Ford	2FTJW36M3PCA51557
7017	1992	Ford	2FTHF25G3NCA10976
7018	1981	Intern'l	1HTAA185XBHA17499
7019	1993	Ford	2FTHF25MOPCA23760
7021	1981	Intern'l	1HTAA1856BHA17807
7025	1973	Intern'l	15686CHA17399
7026	1993	Ford	1FTHX25H7PKB36732
7027	1993	Ford	2FTJW35M9PCA33081
7028	1993	Ford	1FDHF37M8PNA97775
7029	1995	Ford	1FMDA41X65ZB12099
7031	1996	Chevy	1GNDT13WXT2176214
7033	1997	Ford	1FTHX256VEC22763
7034	1996	Dodge	1B7GG23YDTS528816
7035	1995	Ford	1FMDU34X5TUB9398
7036	1997	Ford	1FDYL90E7VVA12128
7037	1997	Ford	1FTHX26HXVEB14444
7038	1997	Ford	1FTHX26HOVEB82428
7039	1996	Ford	1FTEE14Y9THA84449
7040	1997	Ford	3FEKF38F3VMA26184
7041	1997	Ford	1FTHX26G3VEC13911
7042	1997	Ford	1FTHX25G8VEC22781
7043	1997	Ford	1FMRU18W8WLA53199
7044	1998	Ford	2FTPX28W2WCA10478
7045	1999	Ford	1FDSX35F6XEA70954
7046	1999	Ford	1FDAF561XEA62947

Unit #	Year#	Make	Vehicle Identification
7047	1998	Ford	1FMDU34X2WZA00029
10003	1996	Chevy	1GNDT13WXT2176214
10004	1996	Ford	1FMOU34X5TUB93298

**SECURITY AGREEMENT**

**SCHEDULE 2**

**ROLLING STOCK**

**SEE LISTS ATTACHED**

[illegible]





**SECURITY AGREEMENT**

**SCHEDULE 3**

**MAINTENANCE OF WAY EQUIPMENT**

**SEE ATTACHED**



[illegible]

PLANT	YEAR	MAKE	MODEL	TYPE	LOCATION	STATUS	REMARKS
BPRR	4117	1983	CASE	565K BACK-DOE			RIKER YARD
BPRR	4118	1983	CASE	565K BACK-DOE			BRADFORD
BPRR	4502		JACKSON	2400 SPOT TOWER			BUFFALO
BPRR	4603		FAIRMONT	W-18 SP-KE PULLER			BUTLER
BPRR	4604		FAIRMONT	W-81 SP-KE PULLER			RIKER YARD
BPRR	4605		FAIRMONT	W-100 SP-KE HAMMER			RIKER YARD
OPRR	4607		NORDBERG	SP-KE HAMMER			RIKER YARD
BPRR	4607		CASE	FRONT LOADER			BUFFALO
BPRR	4608		NORDBERG	TRACK WAGON			RIKER YARD
BPRR	4810	1988	LINCOLN	WELDER			JBURG
EPRR	4612	1988	INGERSOLL	P-185 AIR COMPRESSOR			RIKER YARD
BPRR	4614	1983	BURRO	MOBIL 43 RAIL CRANE			RIKER YARD
BPRR	4615	1988	TAMPER	MARX III PROX TAMPER			RIKER YARD
EPRR	4816	1988	RTW	25" R/L GRINDER			RIKER YARD
EPRR	4617	1985	RTW	25" R/L GRINDER			JBURG
EPRR	4618		NORDBERG	SP-KE HAMMER			BUTLER
BPRR	4619		FAIRMONT	W-44 SP-KE PULLER			BRADFORD
BPRR	4820		YALE	FORK TRUCK			RIKER YARD
BPRR	4621		KESSHAW	26-21 BALLAST REG.			RIKER YARD
BPRR	4625		G-4000 GENERATOR SET				BRADFORD
BPRR	4630		PAVEMENT ROLLER				RIKER YARD
BPRR	4631		PHW 4 STEEL C-EMER				RIKER YARD
BPRR	4632	1989	EDON	EDU 3 TRAILER			BRADFORD
BPRR	4633		POLE TRAILER				RIKER YARD
BPRR	4839	1993	LINCOLN	RANGER SWELDER			RIKER YARD
BPRR	4650	1983	LINCOLN	RANGER SWELDER			BRADFORD
BPRR	4858	1993	DITCH WITCH				BRADFORD
BPRR	4939	1983	DITCH WITCH	TRAILER	1050000UBP-7K112	NY 154358	BRADFORD
AERR	5210	1986	VIARD	UTILITY TRAILER			WARREN
AERR	5212	1985	CASE	BOOSE BACK-DOE			WARREN
AERR	5601		TAMPER	MARK III PROX TAMPER			BUFFALO
AERR	5602		TAMPER	BEB BALLAST REG.			BUFFALO
IMRR	TT7	1944	NORDBERG	TEADDER	B/N 182395		
IMRR	TT7	1945	NORDBERG	SP-KE ROLLER	SN E924841		
IMRR	TT10	1944	INGERSOLL	SP-KE ROLLER	CYLA 688967		
IMRR	TT11	1944	INGERSOLL	SP-KE ROLLER	CYLA 588851		

DATE	TIME	LOCATION	DESCRIPTION	QUANTITY	UNIT	PRICE	TOTAL	REMARKS
MMRR	TT24	1987	MAIL TOOL					
MMRR	TT25	1989	MAIL TOOL					
MMRR	TT29	1984	RACINE HYD.					
MMRR	TT31	1989	TAPER					
MMRR	TT32	1989	FAIRMONT					
MMRR	TT32	1989	FAIRMONT					
MMRR	TT33	1981	REMINGTON					
MMRR	TT35	1982	TRANS. PROD.					
MMRR	TT36	1982	KERSHAW					
MMRR	TT38	1989	JACKSON					
MMRR	TT39	1971	SACINE					
MMRR	TT40	1971	RACD					
MMRR	TT41	1971	FAIRMONT					
MMRR	TT42	1971	FAIRMONT					
MMRR	TT43	1972	RACO					
MMRR	TT44	1972	NORDEBERG					
MMRR	TT45	1972	TAPER					
MMRR	TT46	1972	KERSHAW					
MMRR	TT47	1975	RACINE					
MMRR	TT49	1976	NORDEBERG					
MMRR	TT50	1976	SAFETIRAN					
MMRR	TT51	1976	INGERSOLL					
MMRR	TT52	1977	REMINGTON					
MMRR	TT53	1977	ERICO					
MMRR	TT54	1977	RACINE					
MMRR	TT55	1978	RACINE					
MMRR	TT56	1978	HOLLAND					
MMRR	TT57	1979	ReCONE					
MMRR	TT58	1981	RAC NE					
MMRR	TT59	1981	RAC NE					
MMRR	TT60	1982	INGERSOLL					
MMRR	TT61	1977	TAPER					
MMRR	TT62	1977	TAPER					
MMRR	TT63	1985	RACINE					
MMRR	TT64	1989	MATWELD					
MMRR	TT65	1989	MATWELD					
MMRR	TT66	1989	MATWELD					
MMRR	TT67	1989	MATWELD					
MMRR	TT68	1989	MATWELD					
MMRR	TT69	1989	MATWELD					
MMRR	TT70	1989	MATWELD					
MMRR	TT71	1989	MATWELD					
MMRR	TT72	1989	MATWELD					
MMRR	TT73	1989	MATWELD					

[illegible]

**SECURITY AGREEMENT**

**SCHEDULE 4**

**REAL PROPERTY**

**SEE ATTACHED**

## SCHEDULE OF REAL PROPERTY

1. Rochester & Southern Railroad, Inc.

Rochester, NY to Ashford, NY	93.63 miles
City of Rochester	6.90 miles
Silver Lake Branch	2.27 miles

Abandoned property: Silver Springs, NY to Machias, NY	14.30 miles
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2. Willamette & Pacific Railroad

Toledo Branch Milepost 691.61 to Milepost 766.70	75.09 miles
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Newberg Branch Milepost 738.00 to Milepost 749.67	11.67 miles
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West Side Branch Milepost 738.00 to Milepost 671.58	66.42 miles
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Dallas Branch Milepost 730.46 to Milepost 733.80	4.79 miles
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Williamina Branch Milepost 730.46 to Milepost 749.46	19.00 miles
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Bailey Branch Milepost 673.21 to Milepost 680.06	6.85 miles
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3. Buffalo & Pittsburgh Railroad, Inc.

Buffalo, NY (lease) Milepost 0.00 to Milepost 2.0	2.0 miles
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Buffalo, NY to Eidenau, PA Milepost 2.00 to Milepost 45.21	43.21 miles
Milepost 93.63 to Milepost 226.36	132.73 miles

Butler, PA to Eidenau, PA Milepost 285.37 to Milepost 303.86	18.49 miles
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	Northern Subdivision (lease)	17.81 miles
	Josephine Lease	3.24 miles
	Punxy - Indiana Lease	
	DC Tower to Indiana	41.5 miles
	Creekside - Clarksburg	17.08 miles
	Lucerne Branch	1.86 miles
4.	Genesee and Wyoming Railroad Company	
	Mainline - Retsof, NY to Caledonia, NY	
	Milepost 0.00 to Milepost 12.20	12.20 miles
	Groveland Branch	
	Milepost 326.40 to Milepost 339.50	13.10 miles
5.	The Dansville & Mount Morris Railroad Company	
	Mainline	
	Milepost 0.00 to Milepost 7.40	7.40 miles
6.	Bradford Industrial Railroad, Inc.	
	Bradford, PA	
	Milepost 9.6 to Milepost 13.33	3.73 miles
7.	Allegheny & Eastern Railroad, Inc.	
	Erie, PA to Emporium, PA	
	Milepost 2.8 to Milepost 149.9	147.10 miles
8.	Louisiana & Delta Railroad, Inc.	
	Bayou Sale Branch	
	Milepost .03 to Milepost 4.38	4.35 miles

Milepost 97.70 to Milepost 98.25	.55 miles
Cypressmoot Branch	
Milepost 0.00 to Milepost 15.25	15.25 miles
Milepost 15.01 to Milepost 18.84	3.83 miles
Houma Branch	
Milepost .07 to Milepost 2.00	1.97 miles
Midland Branch	
Milepost 5.35 to Milepost 22.47	17.12 miles
Missouri Pacific Drill	
Milepost 126.32 to Milepost 130.87	4.55 miles
Napoleonville Branch	
Milepost 0.04 to Milepost 0.4	0.36 miles
Salt Mine Branch	
Milepost 0.00 to Milepost 9.8	9.8 miles
Milepost 18.00 to Milepost 20.50	2.50 miles
Lockport Branch (lease)	
Milepost 0.1 to Milepost 14.2	14.2 miles
Patoutville Branch (lease)	2.96 miles
Breaux Bridge (lease)	
Milepost 0.30 to Milepost 7.68	
Milepost 19.38 to Milepost 18.26	8.50 miles
9. Portland & Western Railroad, Inc.	
Tillamook Branch	
Milepost 741.59 to Milepost 770.50	28.91 miles
Westside-Scghers Branch	
Milepost 754.57 to Milepost 764.80	10.23 miles
Newberg Branch	
Milepost 749.67 to Milepost 763.99	14.32 miles



Astoria Branch	
Milepost 5.22 to Milepost 96.97	91.75 miles
Oregon Electric Branch	
Milepost 31.28 to Milepost 64.70	33.42 miles
United Railways Branch	
Milepost 10.00 to Milepost 27.84	17.84 miles
Bendemeer Branch	
Milepost 16.87 to 21.26	4.39 miles
Forest Grove Branch	
Milepost 4.68 to Milepost 10.28	5.60 miles

The trackage and structures (excepting bridges) on the Astoria, Oregon Electric, United Railways, Bendemeer and Forest Grove branches were all purchased. The real property and bridges, which are owned by the state of Oregon, are occupied subject to a permanent Rail Service Easement.

10. Illinois & Midland Railroad, Inc.

Pekin, IL to Springfield, IL	
Milepost 10 to Milepost 87	77 miles
Cimic, IL to Taylorville, IL	
Milepost 100 to Milepost 121	21 miles

11. Golden Isles Terminal Railroad, Inc.

Brunswick, GA	
Anguilla JCT to MYD Harris	
Milepost 0.00 to Milepost 13.8	13.8 miles

12. Pittsburg & Shawmut Railroad, Inc.

Lawsonham, PA to Driftwood, PA	
Milepost 6.00 to Milepost 110.00	104.00 miles

- |     |  |             |
|-----|--|-------------|
|     | Brookville, PA to Freeport, PA<br>Milepost 0.00 to Milepost 88.00  | 88.00 miles |
| 13. | Carolina Coastal Railway, Inc.<br><br>Pinetown, NC<br>Pinetown to Belhaven<br>Milepost 0.00 to Milepost 17                     | 17.00 miles |
| 14. | Commonwealth Railway, Inc.<br><br>Suffolk, VA<br>Suffolk to West Norfolk<br>Milepost 0.00 to Milepost 16.5                     | 16.50 miles |
| 15. | Talleyrand Terminal Railroad Company, Inc.<br><br>Jacksonville, FL<br>No Milepost Designation<br>Terminal Switching Operations |             |
| 16. | Savannah Port Terminal Railroad, Inc.<br><br>Savannah, GA<br>No Milepost Designation<br>Terminal Switching Operations          |             |

**SECURITY AGREEMENT**

**SCHEDULE 5**

**PATENTS, TRADEMARKS, COPYRIGHTS**

**NONE**